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***A Strategy For Tourism Development In The
Baffin Region***

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A STRATEGY FOR **TOURISM** DEVELOPMENT IN THE **BAFFIN** REGION

Tourism and Parks Division
Department of Economic Development and Tourism
6. N.W.T.

HAMBURG / **MONTEITH** - 1988

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ECONOMIC DEVELOPMENT & TOURISM - BAFFIN REGION

Guiding Principles

- 1) To promote a quality of life based on realizable and sustainable human and natural resources, and **that** recognizes unique priorities at the individual and community level.
- 2) To support a quality of life that minimizes destruction of cultural heritage.
- 3) To promote acceptable compromises between cultures through cross-cultural awareness>
- 4) To achieve a choice of options in a balanced economy.
- 5) To promote self-determination of a viable quality of life.
- 6) Facilitate access to opportunities for self-determination of a viable quality of life.
- 7) Recognize that the Department has two roles in 'the **development** economy : the proactive developing role and the reactive program delivery" role.

The nature of the **immature** eastern Arctic economy necessitates **that we stress a development mandate.**

THE DEPARTMENT'S ROLE IN DEVELOPMENT

- 1) Identify existing opportunities.
- 2) Identify means of creating new opportunity through such facilitating factors as:
 - a. human resources (skills and incentives)
 - b. capital
 - c. market / demand
 - d. public / private sector roles
- 3) Analyze and evaluate trends, achievements and failures in economic opportunities.
- 4) Promote awareness and discussion of options and consequences to development opportunities.
- 5) Promote discussion and awareness of opportunities and development consequences with other public and private agencies.
- 6) Support quality in production and encourage excellence in new opportunities.

PROBLEM INDICATORS

- 1) Deficit-financing has produced a finality to available Government resources.
- 2) Growth in population is outstripping creation of jobs and new wealth.
- 3) Tax-base is not increasing substantively.
- 4) Limited number of viable opportunities for resource and business development.
- 5) Accelerated erosion of historical isolation of **Inuit** resulting in rapid entry of southern cultural presence.
- 6) Sense of hopelessness of "non-viable" communities, low self-esteem of available human resources.
- 7) Increasing dependence on Government "endless pot **illusion**".
- 8) Proliferation of Government and Government programs has made simple problems difficult to solve.

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COMMON BARRIERS TO **ECONOMIC** DEVELOPMENT

- 1) Lack of available capital
 - 2) Lack of **skills** (low-grade levels)
 - 3) high cost of living
 - 4) low confidence levels
 - 5) growing communities without a viable resource base
 - 6) lack of new opportunities
 - 7) poor access to information
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2.0 BACKGROUND

2.1 GLOBAL TOURISM

In the past decade, industry around the world had shifted from focusing on continental and domestic trade to competition on a global scale. As a result, world trading patterns and financial flows have also shifted, forcing many national governments to seek new ways to generate revenue. Tourism has been identified as a revenue generating industry which can be promoted by many countries around the world. The result is that tourism around the globe has become a highly competitive industry, which is no longer simply a local, regional, or domestic economic activity. It has become unprofitable to concentrate tourism promotion on a domestic or international market of **close** proximity. Instead, in order to succeed and compete for tourism revenue a country's tourism activities are now becoming global in scope.

In relating this to the **Baffin** Region our products are unquestionably unique and have universal appeal. However, when it comes to developing and marketing these products to an increasingly sophisticated **clientel**, further work will be required.

2.2 BACKGROUND TO THE N.W.T. TOURISM INDUSTRY

Tourism has gained increasing importance to the economy of the Northwest Territories. It is currently the second largest private sector employer in the N.W.T., second only to mining. The industry has been developing steadily since the 1960's with improvements in transportation systems linking the N.W.T. to the South. During the 1970's air services improved dramatically with the introduction of jet service from the south, creating an environment for development of the package tour industry.

Business travel had also grown, with oil and mineral exploration and government travel, at a greater rate so that business travelers numbered several times that of pleasure travelers. On the whole, tourism, like all other N.W.T. economic activities, centered in on the larger communities, but left approximately 50 smaller communities scarcely touched by the tourism industry.

This pattern of tourism also meant that the people of the N.W.T., especially native people, had only a small involvement in the tourism industry. Besides outside of the N.W.T. ownership, the narrow resource base of the N.W.T. made it necessary to import many essential materials and services, therefore tourism receipts were offset by leakages. The aim of the government was to redirect tourism and its economic benefits to all parts of the N.W.T., especially to smaller communities and to involve more people of the N.W.T. in the industry.

In addition to direct economic benefits, the tourism industry can enhance the quality of life of the N.W.T. residents through contributing to the conservation of significant elements of our cultural and natural environments and through the provision of outdoor recreational opportunities.

The N.W.T. mandate emphasizes the preparation of communities, their residents and their businesses, **so** that they can be more **active** participants in the tourism industry.

From the viewpoint of the tourist, the object of this strategy is to provide better facilities and services; and, most of all, to **provide** more enlightening and satisfying tourism experiences.

2.3 BACKGROUND TO THE **BAFFIN** TOURISM INDUSTRY

In the early 1970's the **Baffin** Region was faced with serious economic questions about the future. The development of tourism was regarded **as** part of a strategy to broaden and diversify an ailing economy.

It was not until the 1980's that tourism was strategically addressed by both government and industry. In the **Baffin** Region a 1981 tourism development strategy provided a framework to direct growth and development in the tourism industry. It identified tourism development opportunities that met market forecasts and expectations and that were responsive to resource development and local community aspirations.

The emphasis was to develop non-consumptive forms of tourism, and to avoid land-use conflicts. Government was to initially provide most of the capital to develop attractions, improve skill **levels**, and market the region. Facility development was left primarily to the private sector, however Government provided incentives through capital contributions.

The **Baffin** Travel Zone is actually a collection of arctic islands with **Baffin** Island being the largest. The region is only accessible by air. The population of the **Baffin** region is approximately 10,000 people. Table 1 - **Baffin** Regional Population.

TABLE 1

Baffin Regional Population

<u>Communi ty</u>	<u>Male</u>	<u>% Total</u>	<u>Female</u>	<u>% Total</u>	<u>1981</u>	<u>1986</u>
Arctic Bay	190	50.7	185	49.3	375	447
Broughton Island	190	50.7	185	49.3	375	427
Cape Dorset	420	53.8	360	46.2	780	863
Clyde River	245	55.1	200	44.9	445	524
Grise Fiord	50	47.6	55	52.4	105	138
Hall Beach	180	51.4	170	48.6	350	427
Igl ool i k	375	50.3	370	49.7	745	808
Iqaluit	1,225	52.1	1,110	47.5	2,335	3,038
Lake Harbour	125	50.0	125	50.0	250	294
Nanisivik	135	51.9	125	48.1	260	294
Pangnirtung	425	50.6	415	49.4	840	918
Pond Inlet	375	53.2	330	46.8	705	834
Resolute Bay	95	55.9	75	44.1	170	173
Sanikiluaq	195	50.7	190	49.4	385	439
Baffin Unorgani zed	100	55.6	80	44.4	180	208
Regional TOTAL	<u>4,330</u>	<u>52.2</u>	<u>3,970</u>	<u>47.8</u>	<u>8,300</u>	<u>9,832</u>

Source: Statistics Canada 1987

Inuktitut is the principal language spoken by 82.7% of the **Baffin's** population with English and French being spoken by 14.6% and 2.2% **respec- tively**. For a number of **Baffin communities**, language has been a barrier to tourism development, particularly in the case of providing visitor services and programs. An even greater barrier are the entry level skills and training programs that would allow for much greater **labour** force participation in the region's tourism industry. Not only is **skill** development important to greater resident participation in the industry, it is a very important element in the delivery of **Baffin** tourism product.

Pleasure travel to the **Baffin** occurs principally during the June through September period, accounting for 70% of total annual non-resident pleasure travel. Shoulder season travel in the Spring accounts for 28% which is largely the result of polar bear hunts, skiing and dog sledding. The Fall is attributed largely to caribou hunts.

The vast majority of pleasure travel visitation to the **Baffin** is by packaged tours. The following table displays the regional destination of pleasure travel in the **Baffin**. **Iqaluit** captures 45.5% of pleasure travel to the **Baffin** but only 12.4% of the travel expenditure. **Iqaluit**

is the principal gateway for the travel to the Baffin. The high visitation/low spend to Iqaluit, is attributed to three large tours that are essentially day trips, which account for over 50% of pleasure travel visitation to Iqaluit. The higher visitor expenditure in the case of Resolute Bay is due in part to 16 polar bear hunts (value \$270,400.). Lastly, 17% of all pleasure travel is not community-based and accounts for one third of all pleasure travel expenditure in the Baffin.

TABLE 2
Regional Distribution of Baffin Pleasure Travel
(Peak and Shoulder Season Travel)
 1987

<u>Community</u>	<u>Number of Packages</u>	<u>Number of Clients</u>	<u>Approximate Value</u>
Cape Dorset	4	113	\$ 211,554.00
Iqaluit	10	813	370,651.00
Pangnirtung	5	106	253,778.00
Pond Inlet	6	158	253,778.00
Clyde River	2	6	16,057.00
Broughton Island	2	5	40,362.00
Grise Fiord	6	81	194,688.00
Resolute Bay	10	180	644,482.00
Arctic Bay	2	21	110,718.00
Igloolik	3	44	101,160.00
Non-Community Based Pleasure Travel		271	1,015,560.00
TOTAL	50	1,788	\$3,021,744.00

Source: Tourism and Parks - Baffin Region.

In 1970, there were 2 fishing camps, 2 hotels, 10 transient centres, 2 outfitters and a single airline in the Baffin. Today there are 20 outfitters, 34 guides, 14 hotels, 5 camps or lodges, 2 travel agents and 4 airlines (into the Region).

More than 7,000 business, government and pleasure travelers visit the Baffin region every year. It has been estimated that this activity injects approximately 8.5 million dollars into the Baffin economy, stimulating about 184 full time, part time and seasonal jobs annually. (See Table 3)

TABLE 3

Tourism Industry & Tourism Industry Related
Employment - Baffin Region
January 1986

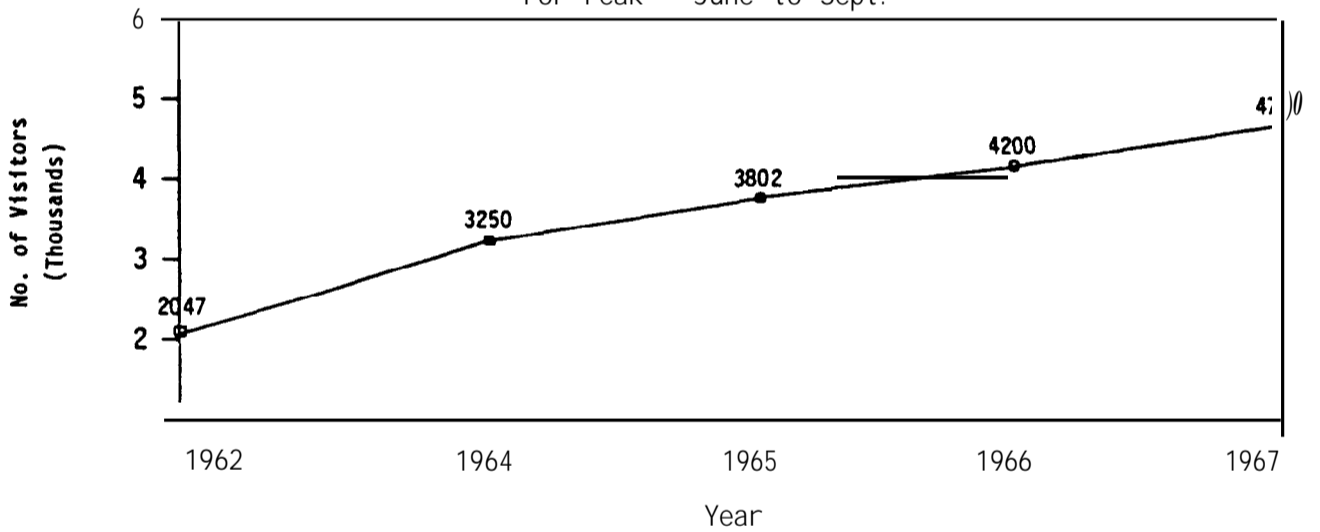
	<u>Inuit</u>	<u>Other</u>	<u>Total</u>
Hotels/Lodges	67	31	98
Outfitters & Guides	35	4	39
Airlines	20	20	40
Travel Agencies	2	6	8
TOTAL	124	61	185

In global terms, tourism is the world's fastest growing industry and one-of the largest generators of international trade. In times of recession the tourism industry generally remains buoyant. The tourism industry of the Baffin Region is at a very early stage of development relative to other similar destinations in the world. Although the Region's tourism resource base is of high quality with unique characteristics that have inherent potential to attract a diversity of markets, the industry is just beginning to compete for market share. Graph 4 shows the steady increase in visitors to the Baffin, every year, measured at the peak period from June to September.²

GRAPH 4

No. of Visitors to the Baffin

For Peak - June to Sept.

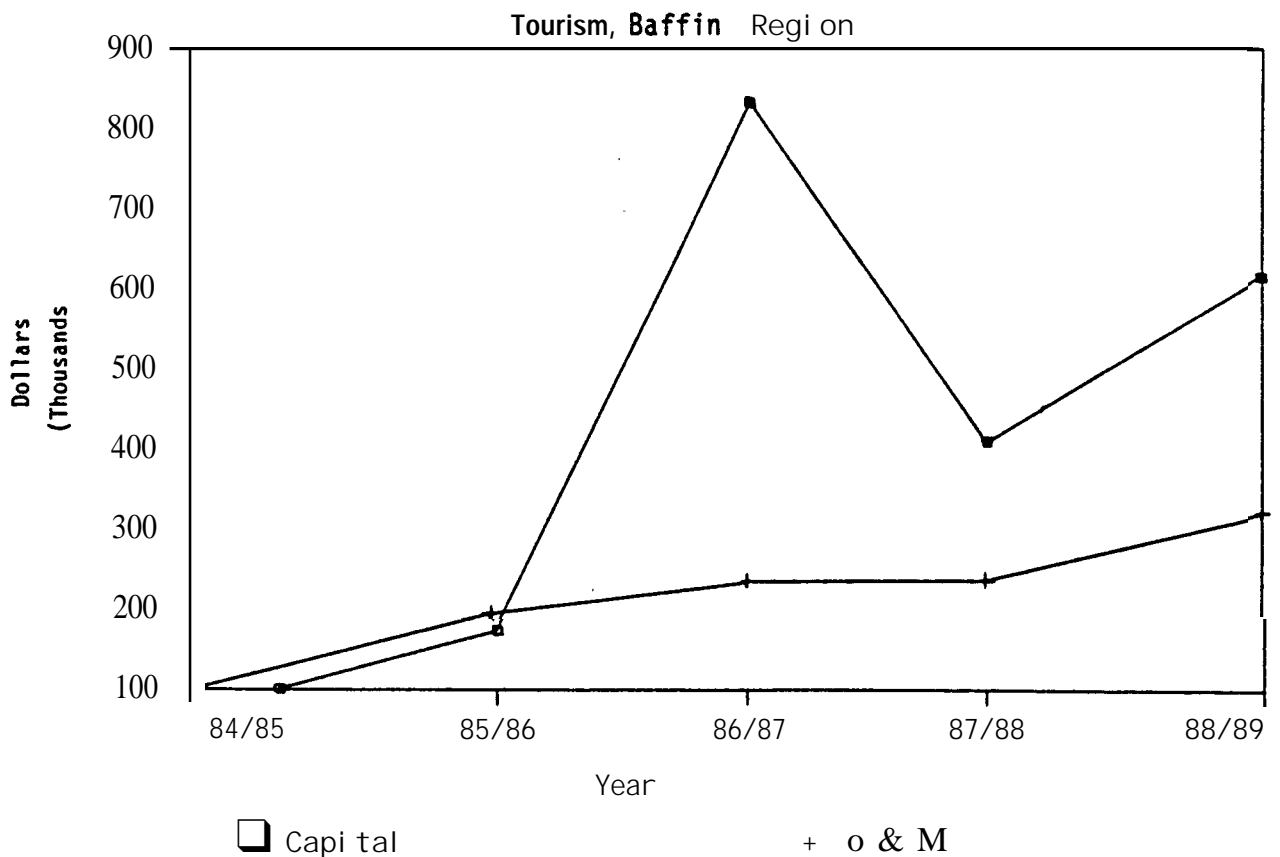


The Territorial Government has encouraged better quality tourism facilities. Graph 5 shows both operations/maintenance and Capital

expenditures by the Department of Economic Development & Tourism, for the Region, from 1984 projected through 1989 (estimate). Eating and accommodation facilities have been upgraded gradually over the past several years. Hospitality training for this sector of the industry will be a high priority for 1988, as will a number of other training programs for the tourism industry.

GRAPH 5

G.N.W.T. Capital and O & M Expenditures

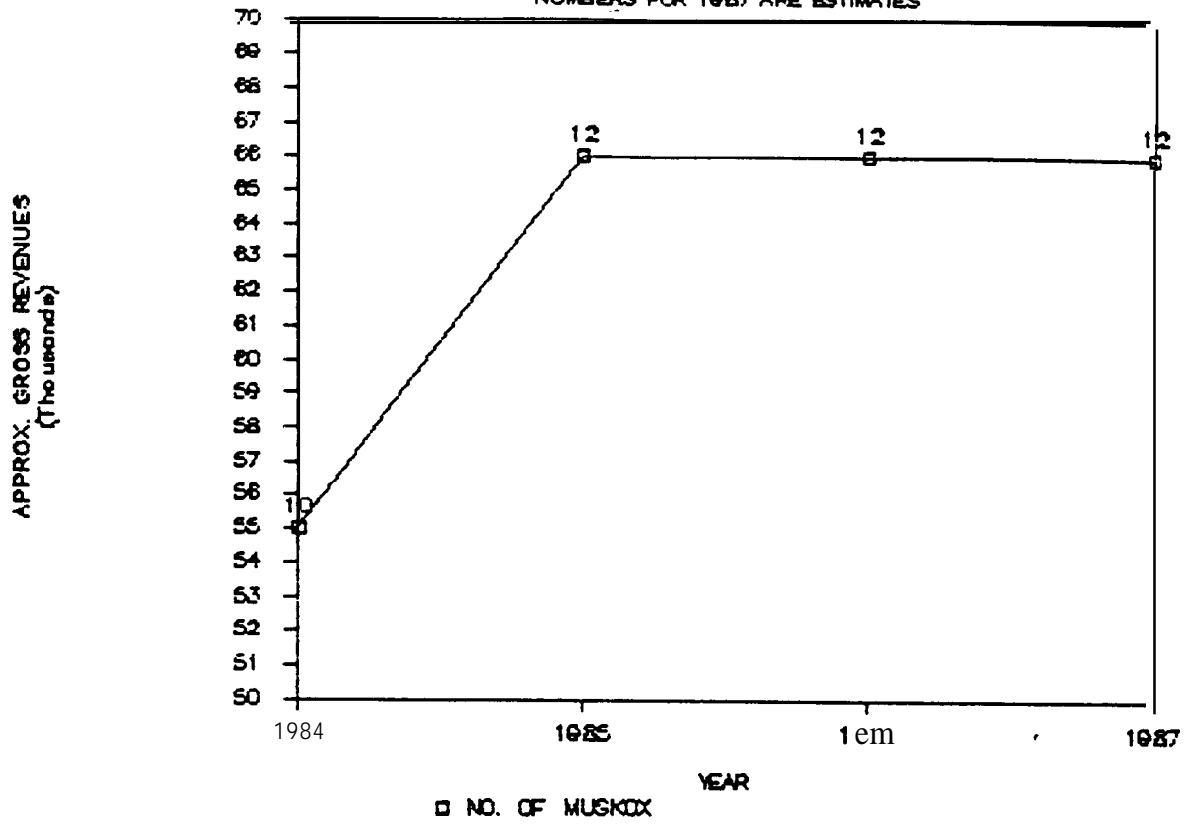


The Territorial Government has encouraged the participation of a skilled and motivated resident work force comprised of 124 native northerners employed full time, part time and seasonal in the regional tourism industry. Forty-one fully trained **Baffin** residents graduated from the guide level 1 course over the past two years. Technical skills are to be further upgraded with added **levels** of guide training in special areas such as big game hunt guides (presently there are 30 whom have completed this section) and interpretive guides. **By 1987, 30 inuit** had graduated from Level 11 outfitting course. Big game hunting guides came just in time to take the increase in the caribou hunting quota. As a result of these courses the quality of the hunts have increased, as has the number of hunts available and of course the income. (See Graphs)

GRAPH 6

MUSKOX SPORT HUNTS FOR THE BAFFIN

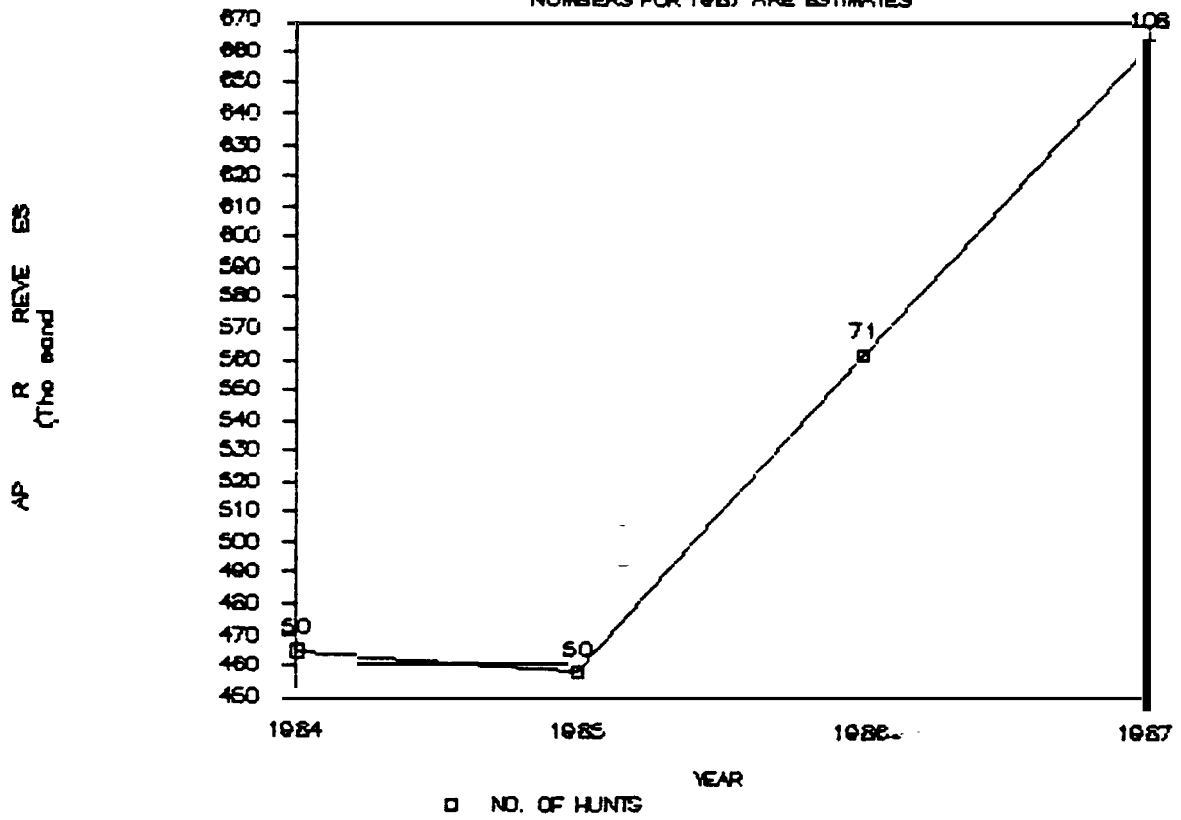
NUMBERS FOR 1987 ARE ESTIMATES



GRAPH 7

SPORT HUNTING STATS FOR BAFFIN REGION

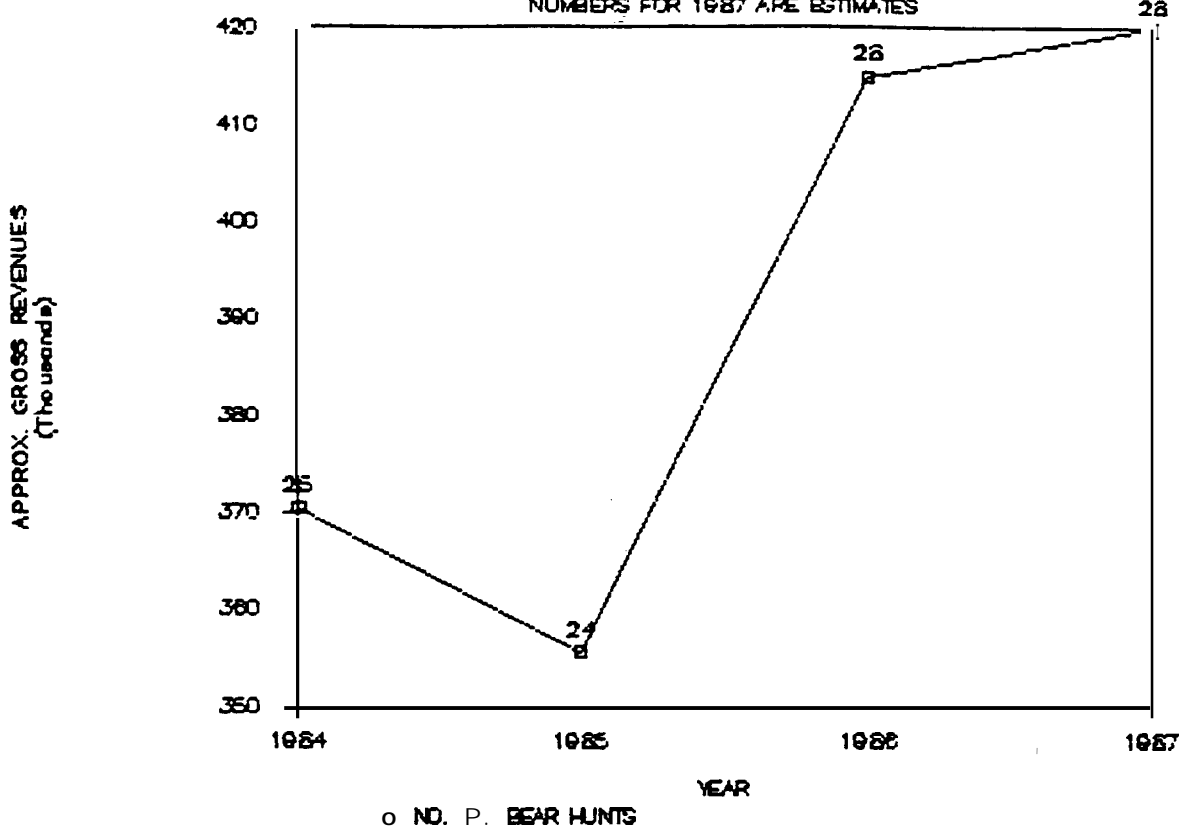
NUMBERS FOR 1987 ARE ESTIMATES



GRAPH 8

POLAR BEAR SPORT HUNTS - BAFFIN REGION

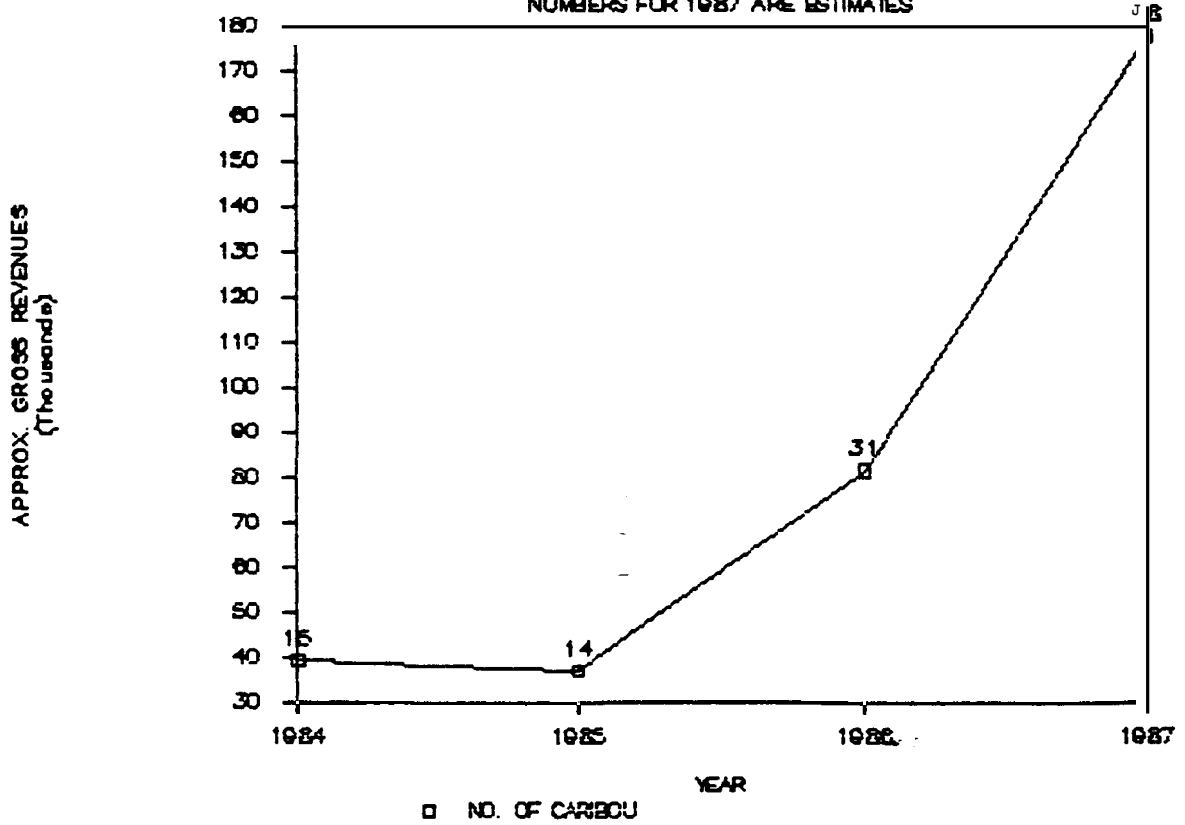
NUMBERS FOR 1987 ARE ESTIMATES



GRAPH 9

SPORT CARIBOU HUNTS FOR THE BAFFIN

NUMBERS FOR 1987 ARE ESTIMATES



3.0 REGIONAL TOURISM DEVELOPMENT STRATEGY

A tourism development strategy provides a framework to direct growth and development in the tourism industry, over a ten year horizon. It identifies tourism development opportunities that meet market forecasts and expectations and that are responsive to resource development opportunities and local community aspirations, and initiatives. Specifically, a tourism strategy gives direction to the public and private sector for investment initiatives.

The recommended Regional Tourism Development Strategy proposed for the early 80's was:

"To stimulate the development of predominantly non-consumptive **community** centred tourism in an integrated network of tourism destination areas and destination communities that are linked together by air transportation or boat tours. Development of tourism facilities, attractions and programs that will take place along specific themes that will attempt to reflect the natural, cultural and historic resources and lifestyles of the Region. These will aim to attract specific **specialty** markets to provide structured, programmed opportunities that can be packaged for small group visitation. The bulk of the tourism development **will** be initiated by the public sector and managed and operated by the private sector. The individual **community's** decision regarding tourism development will ultimately decide the type and extent of tourism development that will take **place** in that **community**."

The core of this strategy remains the same today, however the method for **achieving** the **goal** has **changed**. While in the **past** the department's emphasis has been 'to **create the appropriate climate for residents to participate and to become aware of tourism opportunities**, the department in the **Baffin** Region will now move on to the next stage of its resources on **product development and insuring quality products and services continue to be offered**.

3.1 GUIDING PRINCIPLES

Tourism programs should reflect the following key principles:

- 3.1.1 Tourism development must be consistent with the abilities and **aspirations** of the host communities, and must not result in unacceptable cultural, social and natural environmental impacts;
- 3.1.2 Tourism development should be well distributed between **communities**;
- 3.1.3 Tourism development and marketing activities should be designed to yield maximum possible economic benefits for residents of the **Baffin** Region;
- 3.1.4 The private sector should take the **lead in developing a viable tourism** industry, with government providing support in the form of financial incentives and public infrastructure;
- 3.1.5 **Public** funding for tourism projects should be consistent with established tourism development and marketing strategies of the **N.W.T.** and only be provided:
 - a) to private businesses in response to market analysis which indicates profitable development opportunities;
 - b) for public infrastructure when feasibility studies show that such infrastructure will generate economic benefits for the **N.W.T.** in excess of the costs involved; and
 - c) for studies which help to determine the most cost-effective use of future public funding;
- 3.1.6 Tourism programs must be based on measurable goals which can be subsequently evaluated to maintain or improve their quality.

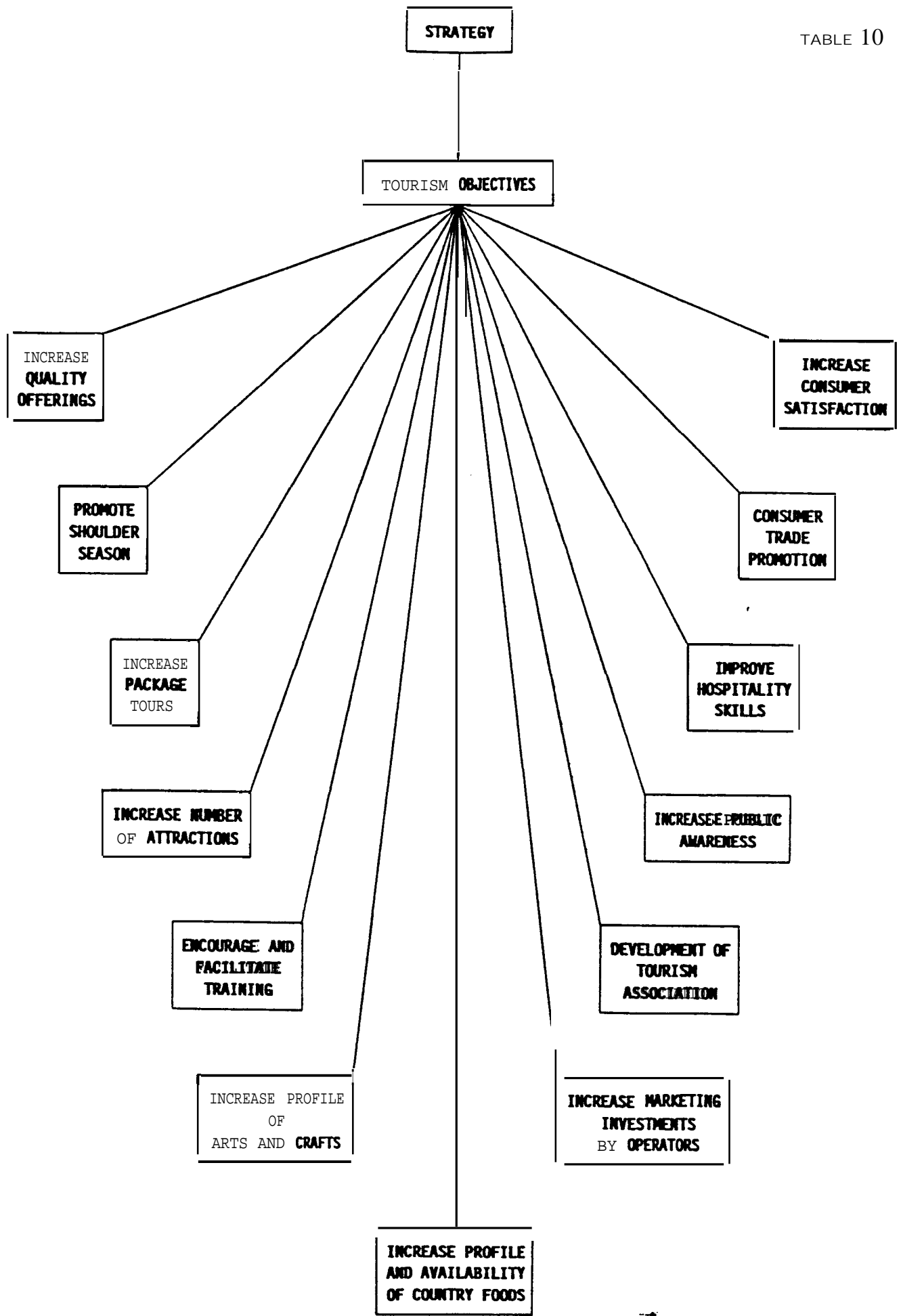
3.2 TOURISM OBJECTIVES

In order to accomplish the goal, within the guiding principles, this strategy has the following specific tourism objectives.

- 3.2.1 Increase the quality of the **Baffin** tourism offerings by:
 - a) increasing the availability of market responsive **Baffin** vacation offerings that are internationally price competitive;
 - b) working to insure that both the quality and availability of those public and private facilities and services that are required to support our vacation offerings are consistent with (or exceed) most visitor expectation;
 - c) increasing consumers' satisfaction with their travel experiences in the **Baffin** Region by ensuring that **Baffin** product offerings are accurately advertised and delivered described, and that visitors have **pre-trip** information which properly prepares them for visiting the **Baffin**;
- 3.2.2 Promote increased use of community based existing under-utilized facilities and services, particularly in "shoulder" seasons, by:
 - a) increasing awareness of **Baffin** vacation opportunities in our key markets;
 - b) facilitating the design and delivery of effective marketing campaigns by **Baffin** operators and their sales representatives, in our key markets;
 - c) facilitating the purchase of competitive **Baffin** vacation offerings within and outside the **N.W.T.**
 - d) improving the conversion ratio of consumer inquiries to sales.
- 3.2.3 Increase the availability of **Baffin** packaged tours that are community based and are competitive internationally in terms of quality, price and content.
- 3.2.4 Facilitate an increase in the number of natural and other attractions (e.g. parks, wildlife sanctuaries, historical sites, etc.) in **Baffin** vacation offerings that have sufficient international stature to attract world travelers.
- 3.2.5 Facilitate an increase in the **knowledge** and skill levels of existing and potential tourist industry **managers and** staff.
- 3.2.6 Increase the profile of **N.W.T.** arts and crafts, country foods, and traditional cultural events in **Baffin** product offerings and marketing campaigns.
- 3.2.7 Increase the **annual** level of investment by **Baffin** operators in their

marketing efforts, and the development and enhancement of their products.

- 3.2.8 Facilitate an increase in the capabilities of the **Baffin** tourism association to effectively represent travel industry viewpoints; provide a forum for information exchange between **N.W.T.** businesses; and support the growth of the tourism sector.
- 3.2.9 Facilitate an increase in the **Baffin** public's awareness of the socio-economic value of the tourism industry and take steps to improve the hospitality skills of residents and businesses in host communities.



3.3 COMMUNITY BASED TOURISM

3.3.1 General Description

It is believed that encouragement and support for a program of community based tourism is the most appropriate means for accomplishing the goals of this strategy.

Many tourists are prepared to travel and stay in the **Baffin** communities, if they can be assured of being welcomed and if they are provided with quality opportunities to explore, enjoy, and learn about the cultural heritage of those communities, and the natural landscapes which surround them. By encouraging the tourists to use communities as "base camps" or "**centres**" for their visit and concentrating effort on developing those points of interest to the tourists that are located close to communities, we can increase the use of existing **community** services, reduce the need for constructing and servicing new tourist facilities, increase local benefits and facilitate local control.

The communities cannot offer holidays on sunny beaches, fancy hotels, or numerous movie houses or theatres - but they can offer tourists a unique opportunity to **experience a different land and its culture**.

At the present time there is little understanding in **some** communities of the tourism industry, what it implies, how they can direct it, or how to derive maximum local benefits. Communities require assistance, if they are to knowledgeably determine the extent to which community based tourism **could** assist them in achieving their social and economic development goals and objectives.

Community based tourism is the envisioned means to address the deficiencies in the **N.W.T.** tourism industry, and the way in which the government's goal and tourism objectives can be accomplished. The intention of community based tourism is to allow communities to use the tourism industry as a means of self-determination, especially economically. This Government's role in **community** based tourism is that of a consultant in the planning stages, and that of a provider of direct financial support in the developmental stage. We will advise and assist community councils and businesses on their request, in the development and promotion of community based tourism endeavors.

3.3.2 As A Tourism Experience

The essence of **community** based tourism, from the viewpoint of the tourist visitor, is the availability at the **community** level of all inclusive tour packages that will involve visitors in the cultural and natural attributes of the community and its **immediate** surroundings.

The visitors' trips and experiences will typically have emphasis on the historical and cultural aspects of man and his use of the land. Rather than be spectators, **tourists** will actively participate in primarily non-consumptive outdoor recreation activities, many of which are water or shoreline oriented. Community based tourism activities

can include fishing and hunting, but special emphasis **would** be placed on non-consumptive **learn/observe/experience** activities.

The visitor activities and experience must be interesting and organized into packages. The ideal community based tourism package will involve many community operators - the hotel operator, tour organizer, **restauranter**, outfitter and guide. The package will keep visitors busy for two to five days in and around any one **community**.

3.3.3 **As** A Business Venture

The size of community based tourism packages and their individual business components will vary across the **Baffin** according to the size of **communities** and the facilities and services available. Community based tourism can be of any size and involve any **community**; but, it is worthwhile to point out tourism business characteristics that may prevail at the simplest level in the smallest communities. The businesses may have basic facilities/services, limited capital investment, require a minimum of operating skills, involve flexible schedules to accommodate the entrepreneurs, be complementary to other activities of the owners and employees, and make dual use of equipment.

3.3.4 Compatibility With Community Wishes

In order to satisfy the economic and political aspirations of **communities** and be complimentary to the lifestyle of the residents, a program of **community** based tourism should also be premised on several conditions. Communities should exercise control over the planning, growth and nature of tourism operations within their jurisdictions; and, **community** residents should preferably manage and be employed by the businesses. The majority of economic benefits should be retained and distributed within the **community**.

3.3.5 Impact On Natural And Cultural Resources

Our sensitive environment requires that tourist attractions and activities be closely monitored and controlled in order to avoid permanent negative impacts on natural and cultural historic resources and to prevent potential mishaps. Non-consumptive interpretive and viewing activities are much easier to control than consumptive activities such as hunting. Furthermore, the serious conflict which can arise when tourists begin to compete for a limited biological resource or interfere with traditional **Inuit** land uses, can be avoided through adopting community based "learn/observe/experience" programs.

3.3.6 Summary

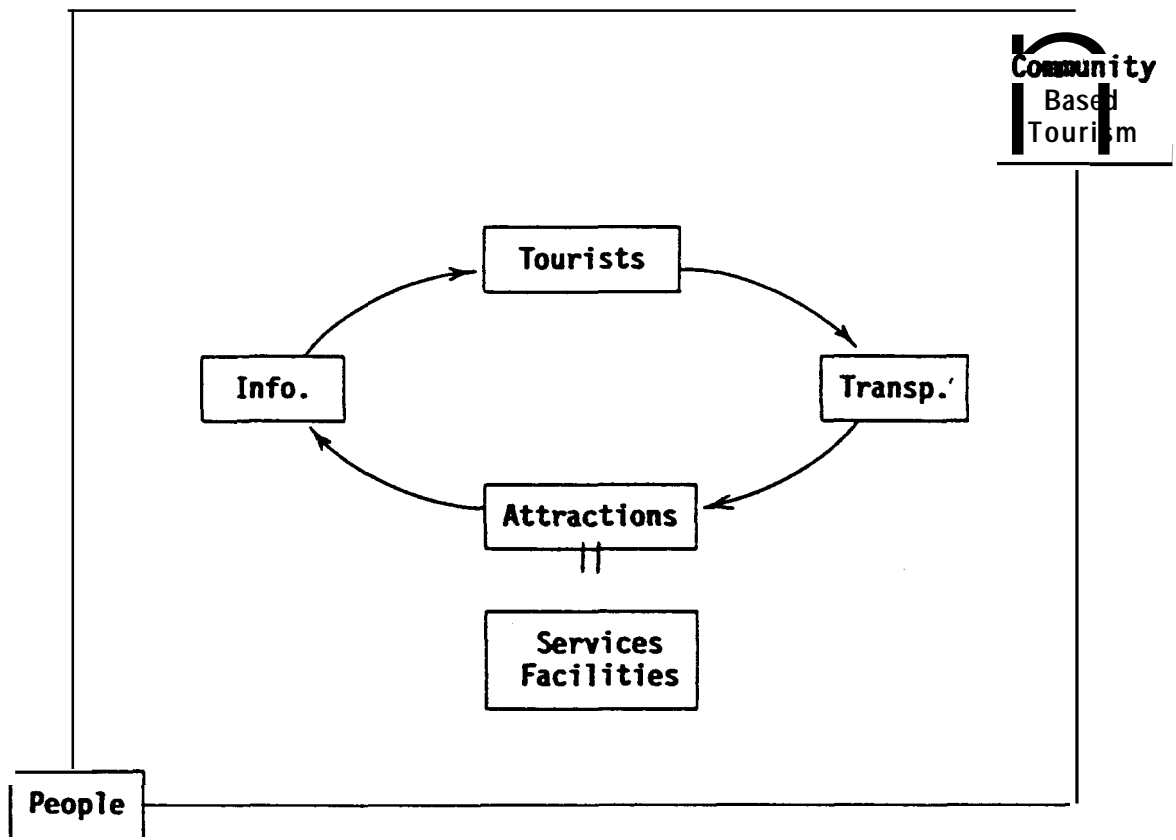
Community based tourism is a term which describes a tourism industry focused on a specific community, with tourism opportunities and infrastructure and activities **centred** in and around the community. The intent of a **community** based tourism industry is to focus the economic

benefits and opportunities from tourism into the community. With the relative isolation of our communities, this type of **node1** tourism development can work.

3.4 PLANNING MODEL

As a means of implementing the N. W. T./Baffin strategy, its principles and its objectives at a regional level, the department has adopted a planning model that emphasizes five inter-related components. Tied together, these components form the basis of a complete tourism functional system. The system is flexible enough that it can be used for planning at a regional level, community level and business level.

TABLE 11



3.4.1 Attractions

A wide variety of physical settings and establishments provide a lure for travelers to visit destination regions. While almost anything at one time or another may become an attraction, the functional tourism system requires identification, planning and management of some physical attraction. Attractions, no matter who owns and provides them, not only lure visitors but provide for their participation. Attractions, as considered here, may be owned publicly, commercially or by nonprofit organizations.

3.4.2 Services - Facilities

The most important functional category from an economic input sense

is that of the facilities and services, such as hotels, lodges, restaurants, retail sales and other services. Tourist spending on facilities and service provides the major economic input in most destination regions.

3.4.3 Transportation

Linkage between place of residence and place of destination is a very important component. Although automobile and air travel tend to dominate most tourist travel, other modes of transportation, such as boat, snow **mobiling** and hiking, frequently are critical links of the transportation system.

3.4.4 Information - Direction

People accumulate information and develop **values** relating to travel experiences that influence their decisions to travel and where to travel. All those functions that relate to learning about travel objectives are important. While advertisers and promoters provide heavy input, people are informed and guided by a great variety of sources, not the least of which is their own past experience.

3.4.5 Tourists

To say that the people-component of tourism is a major one is certainly an understatement. Without controlled volumes of people with both the desire and the ability to travel, tourism cannot develop and thrive. Important planning considerations center around where they live, and what they prefer, what they regularly participate in and their expenditures.

3.4.6 Interdependence

Certainly, this model of a tourism system is a very generalized approach, but it is useful as a tool for planning. In addition to the function within each component, there are strong interdependencies between components. The simple model in Figure 5.5 A has many cross-linkages as well as the dominant flow as shown. The cross-interdependencies are very strong, forming an extremely sensitive and dynamic whole.

Change in any one component can dramatically influence the others. This principle of dynamic, not static, interaction is fundamental to planning - which of necessity also must be dynamic.

Using the functional system, and breaking it up into its components parts we can analyze the region **as** follows:

3.5 TOURISTS

Existing Market Characteristics

Current Vacation/Pleasure Travel Volume to the **Baffin** is Low But Growing

The following table indicates that during the **summer** travel period of June through September business travel to the **Baffin** has been the highest travel generator.

Total Person Trip to **Baffin
June to September and
Trip Purpose**

TABLE 11A

<u>Trip Purpose</u>	1982		1984		1985		1987	
	%	#	%	#	%	#	%	#
Business	63	1,575	57	1,853	64	2,433	64	3,255
Vacation	30	750	35	1,138	29	1,103	29	1,475
VFR	7	175	8	260	7	266	7	356

Source: 1982, 1984- Visitors to **N.W.T.**

Notes: 1985 - Total Visitor estimate obtained from Tourism and Parks, **Baffin** Trip Types taken from **Baffin** Air Survey, 1985.

The 1987 estimate is based on 1,788 tourists to the **Baffin** to the end of August, as estimated by Tourism and Parks, **Baffin**. As a result this is likely a low estimate as the month of September is missing. The 1,788 trips have been reduced by 25% to reflect spring non-peak pleasure travel. The percentage distribution of trip types has been assumed to be similar to 1985 (i.e. 29% is pleasure travel).

Travel to the **Baffin** has increased substantially since 1982. There has been a sizable increase (33.7%) in pleasure travel since 1985. It is difficult to point to a specific reason for this. Expo '86 greatly increased awareness about the **N.W.T.** As well there have been major

features on the **Baffin** in such magazines as **Macleans**. At the industry level there has been **significant development** of packaged travel products in the **Baffin** as well as the development of outfitting and guiding services for pleasure travelers and adventure packages.

While the recent growth in pleasure travel to the **Baffin** is encouraging, it is **still** so very low relative to other zones such as Fort Smith and **Inuvik**.

3.5.1 Vacation Travel Expenditure To the **Baffin** Is **More** Than Twice the **Value** of Other **N.W.T.** Regions

The following table indicates that the value of vacation expenditure to the **Baffin** is considerably higher than for **Inuvik** or the Fort Smith regions.

TABLE 12
Comparison of Average Party Vacation Expenditure - 1984

	<u>Baffin</u>	<u>Inuvik</u>	<u>Fort Smith</u>	Average for <u>N.W.T.</u>
Average Travel Party Expenditure	\$1,550.	\$455.	\$565.	\$625.

Source: Visitors to the **N.W.T.**, 1984.

The higher visitor expenditure impact in the **Baffin** is due to a number of factors. In general, vacation travel to the **Baffin** is expensive. Compared to other **N.W.T.** regions the average length of stay is longer at 12 nights compared to 10 nights or less for the average length of stay in the **N.W.T.** **Baffin** travelers tend to use hotel/motel **accommodation** to a much greater extent than other regional travel in the **N.W.T.** These factors will contribute to the **Baffin** capturing the highest level of trip expenditure impact in the **N.W.T.** at 2.5 times the average expenditure for the **N.W.T.**

While pleasure travel to the **Baffin** is low compared to the Fort Smith region, the **Baffin** does not need to generate the same level of travel volume. The major reason for developing a tourism industry is to capture visitor expenditure. In other words the **Baffin** would only have to capture 1,900 trips to produce \$3 million in visitor expenditure compared to 4,800 trips to produce equivalent value of tourism expenditure in Fort Smith area. For 1987, the average trip expenditure for pleasure **travel** to the **Baffin** is estimated to be \$1,690 person. This expenditure level does not include discretionary spending on crafts and goods/services.


Source: Detek Murray & Assoc. Product **Devl.** Strategy.

3.5.2 Ontario and the United States Are the **Baffin's**
Key Pleasure Travel Markets =

The following table indicates that for pleasure travel, Ontario and the U.S. have been the **Baffin's** key travel markets.

TABLE 13

Origin of Travel To The **Baffin**
1982- 1985

<u>Canada'</u>	<u>1982</u>	<u>1984</u>	<u>1985</u>		
				<u>Business Travel</u>	<u>Pleasure/Other Travel</u>
Ontario	33	47	39	36	45
Quebec	21	22	25	33	11
Maritimes	6	9	9	11	4
Mani toba	2	3	4	6	1
Bri ti sh Col umbi a	9	2	2	2	1
Al berta	9	2	2	2	1
	<u>74</u>	<u>83</u>	<u>83</u>	<u>93</u>	<u>63</u>
<u>Foreign</u>					
U. S. A.	22	11	15	6	34
Other	4	5	1	1	3

Source: Visitors to the **N.W. T.** 1982, 1984 and 1985 **Baffin** Air Travel Survey.

For 1985 we have separated out the reason for travel to the **Baffin**. Clearly Ontario is the **Baffin's** greatest pleasure travel market. Marketing efforts should be concentrated in major Ontario cities like Ottawa and Toronto.

Interestingly, although Quebec accounts for the second highest travel market to the **Baffin**, this has been largely through business travel. Given that Quebec represents the largest travel market within close geographic proximity to the **Baffin**, it yields relatively few pleasure travel visitors.

The United States next to Ontario, has been the **Baffin's** second most important pleasure travel market. As shown in Table 27, the Atlantic region, and in particular the New England and Middle Atlantic regions have been the most significant.

Clearly market priorities for the **Baffin** pleasure travel products would be Ontario and the U.S. Atlantic States. Existing travel surveys suggest

that marketing should be directed to upscale urban households. The present travel profile for Baffin pleasure travelers indicates professionals over the age of 30 with above average incomes.

3.5.3 Market Potential for Baffin Products Pleasure Travel

Baffin pleasure travel can largely be characterized as being one of the N.W.T.'S higher-valued tourism products. Both within the N.W.T. and in North America the Baffin offers a unique, almost exotic pleasure travel experience. It provides high arctic adventure with a natural and cultural resource base that is distinctive. In terms of airfares and the cost of accommodation and meals, it is one of the most expensive travel destinations in North America.

TABLE 14
Origin of U.S. Pleasure Travel to the Baffin
1985

<u>Atlantic</u>	<u>2</u>
New York	8.3
Maine	6.5
Massachusetts	2.6
Vermont	2.2
Connecticut	1.1
Florida	1.2
TOTAL	<u>21.9</u>
<u>Central</u>	
Indiana	2.6
Kansas	1.4
Louisiana	1.6
Texas	2.6
TOTAL	<u>8.2</u>
<u>Pacific/Mountain</u>	
Arizona	1.4
Colorado	1.4
California	1.1
TOTAL	<u>3.9</u>

Source: 1985 Baffin Air Travel Survey.

The high cost of pleasure travel to the **Baffin**, although considered to be a constraint, needs to be put in context. Actually a week long pleasure trip to New York as well as other major North American cities, can be just as expensive as a week long pleasure trip to the **Baffin**. While airfares to New York are comparatively less expensive, meals and accommodation are not.

The **Baffin** provides almost the antithesis of the "big-city" pleasure travel experience - real adventure, seclusion/privacy, different lifestyle and a natural/untouched environment. Not surprisingly, the major market for **Baffin** travel is the upscale urban dweller seeking an adventure travel experience that is not available in or near their own cities. The following table indicates the market potential specifically available to the **Baffin** and the **Baffin's** current capture rate."

TABLE 15

Market Potential for Baffin Pleasure Travel Products

	<u>Potential North American Market For N.W. T.</u>	<u>Current Baffin Pleasure Travel</u>	<u>Penetration Rate</u>
Non-Consumptive Outdoor/Adventure	46,600	700	1.5%
-General Touring (Packages)	15,727	900	5.7%
Consumptive Outdoor/Adventure Travel (Hunting only)	11,240	100	.1%
Totals	<u>73,547</u>	<u>1,800</u>	<u>2.4%</u>

Source: Derek Murray & Assoc.

At the present time the **Baffin** is capturing 2.4% of the estimated market potential for pleasure travel to the **N.W.T.** Clearly there is significant market **potential** for the development of the **Baffin's** tourism industry. The following chapters examine the supply side of the **Baffin's** industry and its **capabilities** to delivery pleasure travel products.

3.6 ATTRACTI ONS

Baffin Pleasures Travel Products

As indicated previously, **Baffin** pleasure travel is largely packaged with very little independent touring. At present the **Baffin** has classified its travel packages by product type such as:

TABLE 16

Baffin Packaged Tour Sales - 1987

<u>Tour Package Category</u>	<u>Number of Packages Sold</u>	<u>Number of Tourists</u>
Sports Fishing	3	107
Sports Hunting	3	95
General Interest Tours	11	661
Special Interest Tours	11	570
Naturalist Tours	4	43
Adventure Tours	13	312
Total	45	1,788

For purposes of comparability with other zones and for purposes of market analysis we have had to revise these categories into the two broad groupings of outdoor/adventure travel and general touring:

TABLE 17

Baffin Pleasure Travel Categories

<u>Category</u>	<u>Number of Packages</u>	<u>Number of Tourists</u>	<u>Value</u>
OUTDOOR/ADVENTURE			
• Consumptive			
- Fishing	3	100	\$ 282,050.
- Hunting	3	100	784,700.
Total	6	200	\$1,066,750.

• Non-Consumptive			
- Naturalist/ Wildlife/ Photo Safaris	8	100	
- Hiking/ Backpacking/ Skiing/Dog Sledding	16	400	
- Canoeing/ Kayaking/ Boating/Rafting	5	200	\$1,954,994.
Total	29	700	
GENERAL TOURING			
• General Interest	7	850	
- Arts/Culture/ History	3	50	
Total	10	900	
TOTAL	45	1,800	\$3,021,744.

The **Baffin** serves principally a non-consumptive touring market. However it should be noted that in terms of expenditure impact, sports hunting packages for polar bear and caribou generate a substantially higher trip expenditure impact. In case of general touring it should also be noted that the high visitor volume is the result of three large tours that were essentially day trips.

The largest number of tour offered (29) are non-consumptive outdoor/adventure products, in particular activities associated with hiking, backpacking, skiing, dog sledding, **skidooring** and trekking.

3.7 SERVICES AND FACILITIES

Baffin Tourism Industry - Supply-Side

This chapter examines the supply side of the **Baffin's** tourism industry - its accommodation, transportation and tourist services.

In developing a base line of information of the **Baffin's** current tourism industry and infrastructure the following documents were reviewed:

- **Baffin** Region Tourism Strategy
- **Pangnirtung** Community Tourism Study
- Tourism and Parks Data (**Baffin** Region).

In addition to the above an inventory of the region's tourism infrastructure was also undertaken.

3.7.1 Hotels/Motels

With the exception of **Nanisivik** and Lake **Harbour**, 12 **Baffin communities** have hotel/lodge **or Inns** facilities. Lake **Harbour** has a transient **centre** that is operated by the municipality but with no food services.

TABLE 18

Baffin Hotel/Motel Accommodation

(See Attached)

The available **accommodation** in most **Baffin** communities severely limits capacity for tourism. Most communities could only handle very small tour groups of 20 or less people at one time. Clearly this is not a major obstacle for **Iqaluit**. **Pangnirtung** and Resolute Bay are the only other **Baffin** communities that could accommodate larger tour groups or more than one tour at one time.

The following table indicates the **accommodation** characteristics for **Baffin** travelers. It was not possible to separate out profiles for business and vacation travelers.

TABLE 19

Accommodation Characteristics for Baffin Travelers

<u>Type of Accommodation</u>	<u>Percent</u>	<u>Average Stay</u>
Hotels/Inns	69.3	9.1 nights

Friends/Relatives

Lodges	14.7	6.4 nights
Campgrounds	5.3	2.0 nights
Other Camping	10.7	14.2 nights

Source: Visitors to the Northwest Territories, 1984.

The above table does not include staying with friends or relatives. Clearly hotel accommodation is the preferred form of accommodation in the Baffin. This could mean that other forms of accommodation such as lodges or campgrounds are less desirable or not available.

The total bed night capacity for Baffin's accommodation sector is 59,656 bed nights. The 1987 demand for accommodation by the Baffin's 1,475 pleasure travelers for the peak period of June through September would be 9,302 bed nights (1,475 pleasure travelers) x 69.3% (hotel accommodation preferred) x 9.1 (average length of stay). As a result, pleasure travelers would require only 15.6% of the Baffin's existing accommodation capacity.

For most Baffin accommodation, operators, government and construction travel make far more significant demands upon the industry's capacity.

Unfortunately there is little current data that accurately describes occupancy levels and the type of market served by Baffin accommodation. Table 20 has been compiled from statistics obtained from some Baffin accommodation operators. There is no data for the larger communities. As a result the table presents only a very crude estimate as to the type of market served by those operators reporting occupancy data for the peak tourist travel period of June through September.

Clearly the government and construction markets are of more importance to Baffin accommodation operators than tourists from the perspective of room (bed) sales. It could easily be argued that this table is not representative of Baffin accommodation in that without the larger facilities located in Iqaluit and Resolute Bay it understates tourism demand. However it is highly likely that tourists represent less than 25% of the demand for Baffin accommodation from June through September.

There are some indications that increasing tourism demand is having its impact on the Baffin's accommodation. Since 1985 11 facilities have undergone or are undergoing renovations and two entirely new facilities have been added (Bayshore Inn - Iqaluit, Sauniq Hotel - Pond Inlet).

At this point in the development of the Baffin's tourism industry, accommodation is not necessarily a constraint. Existing accommodation could handle twice as many tourists as it does now. Perhaps more importantly a significant portion of the Baffin's accommodation sector is upgrading the quality of facilities that are available for tourists.

TABLE 18

Baffin Hotel/Motel Accommodation

	<u>No. of Facilities</u>	<u>Rates</u>	<u>No. of Rooms</u>	<u>Seasonal ** Room Night Capacity</u>	<u>Accommodation Capacity</u>	<u>Seasonal ** Bed Night Capacity</u>	<u>Employees</u>
Arctic Bay	1	\$131.	8	976	16	1,952	3
Broughton Is and	1	\$135.	8	976	12	1,464	3
Cape Dorset	1	\$130.	11	1,342	23	2,806	3
Clyde River	1	\$140.	6	532	12	1,464	2
Grise Fiord	1	\$125.	9	1,098	10	220	6
Hall Beach	1	\$125.	5	610	9	1,098	3
Iqloolik	1	125.		976	10	1,220	3
Iqaluit	4	105. *	115	14,030	205	25,010	29
Pangnirtung	1	\$125.	27	3,294	54	6,588	9
Pond Inlet ***	1	\$15.	12	1,464	24	2,926	5
Resolute Bay	2	\$120.	57	6,954	90	10,980	6
San Kitluq	1	\$140.	8	976	24	2,928	5
Totals	16		274	33,428	489	59,656	77

* \$105 without meals; all other rates include meals.

** Where the pleasure travel season is defined as 122 days from June to September.

*** In Pond Inlet's case there is overflow capacity.

Lodges and Tent Camps outside of communities are not included (5 facilities; accommodation; capacity 75)

TABLE 20
 Baffin Hotel/Motel Occupancies by Type of Market
 June - September - Selected Communities

	<u>Government</u>	<u>Construction</u>	<u>Tourists</u>	<u>Other</u>	<u>Occupancy Level June - September</u>
Arctic Bay	41.9	43.4	1.9	12.8	49.2
Cape Dorset	32.3	64.3	1.9	.1	64.8
Pond Inlet	55.5	-	8.8	32.5	-
Pangnirtung	23.0	2.2	36.0	29.9	-
Iqoalik	60.7	12.5	5.4	21.4	26.7
Grise Fiord	----- (Construction Workers -- 72.9%) -----				
Hall Beach	46.1	41.8	2.2	3.3	-

Source: Tourism and Parks - 1983 - 86.

Hotel operators should work closely with the tourist industry (tour organizers) to supply-manage available accommodation. The **N.W.T.** government could also assist by encouraging government travel in the non-peak tourist season. This would benefit both operators and the industry as a whole. It would free up rooms for tourists as well as improve year round occupancy. This would be of particular benefit to smaller communities with limited accommodation capacity.

Regarding accommodation operators' views as to the **priorization** of government programs to develop the industry, the following **table** represents a ranking of program priorities:

TABLE 21
Operator's Ranking of Program Priorities
To Assist the Industry

<u>Type of Program Assistance</u>	<u>Percent Ranking</u>
Development of Tourism Attractions	91%
Availability of Local Labour	89%
Improve Occupancy Levels	80%
Access to Financing	77%
Training and Staff Development	75%
Tourism Industry Awareness	64%
Improvement to Transportation Services	56%
Marketing Assistance	56%

Source: DMCA operator survey.

3.7.2 Lodges and Tent Camps

Unlike other regions of the **N.W.T.** the **Baffin** has *very* few tourist lodges. In more cases they are tent camps. There are five such facilities located in the **Baffin**. There are two fixed-roof lodge facility in the **Baffin** (Lake Hazen Lodge and **Mingoutuo**).

TABLE 22
Lodges and Camp-- Baffin Region
(See Attached)

TABLE 22

Lodges and Camps - **Baffin** Region

<u>Name of Establishment</u>	<u>Resident Staff</u>	<u>Non-Resident</u>
Tongnait Arctic Tent Camp	6	1
ClearWater Fiord Tent Camp - Pangnirtung	7	1
Kuluctoo Bay Camp	4	0
Kekertalung Camp	2	0
Mingoutuo Naturalist Lodge	3	1
Total Camps	22	3

Compared to other regions in the **N.W.T.** there has been substantially greater lodge development. Most lodges in the **N.W.T.** were originally build to serve fishing markets. The **Baffin** does not have a high yield fishing resource and the season is very short. While the development of fishing lodges in the **Baffin** does not hold any real opportunity, the development of naturalist lodges would, particularly in outstanding destination areas. The **Keewatin** has developed such a facility at Wager Bay.

3.8 TRANSPORTATION SERVICES

The **Baffin's** principal non-resident markets are Ontario and the Eastern **Us**. Prior to April, 1986, the **Baffin** was served by **only** one scheduled airline from the south. With the introduction of **Firstair** in April, 1986 with direct air service from Ottawa it has not only improved the level of air service to the **Baffin** from the south but **also** increased competition and lowered the cost of air travel to the community. It has also improved the accessibility of the **Baffin** to major U.S. urban markets such as Boston and New York. **Firstair** has been aggressive in developing new markets in Ottawa and Boston.

With two scheduled airlines offering direct jet service to the **Baffin** it greatly enhances opportunities to develop packaged travel products. Aside from the **Baffin's** outdoor/adventure products, it will be able to promote specific events such as **Toonik Tyme** in southern markets.

The City of Ottawa has been very successful in developing events such as **Winterlude** and Festival of the Spring. These events attract a number of non-residents. The **Baffin** could work with southern festival organizers in promoting its products or selling packages at southern events.

3.8.1 Outfitting and Guiding

Outfitting and guiding services are a **critical** component of the **Baffin's** tourism industry. Particularly for the **Baffin's** outdoor/adventure products, outfitting is required in virtually **all** cases. Even with touring products, often guiding is required.

Outfitting in many ways is the heart of the **Baffin** tourist industry. It is really through trained and experienced guides that tourists can "experience" **Baffin** pleasure travel products providing a critical linkage between the attraction and the tourist. Aside from providing equipment, ensuring safety and comfort of tourists, and guiding a tour **group**, the guide can really enrich the whole pleasure travel experience with historical/cultural interpretation, stories about the area **legends** and folklore. A good guide makes a trip both interesting and entertaining.

Outfitting in the **Baffin** has developed to a much greater extent than in other **N.W.T.** regions. In fact the **Baffin** accounts for 30% of the **N.W.T.**'s outfitting enterprises. Outfitting provides excellent employment opportunity. In some cases, individual outfitting establishments are large with up to \$200,000 in equipment and up to 8 employees. The demand for guide training has been very strong in the **Baffin**. This has been a direct result of the increase in packaged tour sales.

The following table lists the number of outfitters and guides in the **Baffin** and their location.

TABLE-23

Baffin Region Licensed Outfitters
(See Attached)

TABLE 23

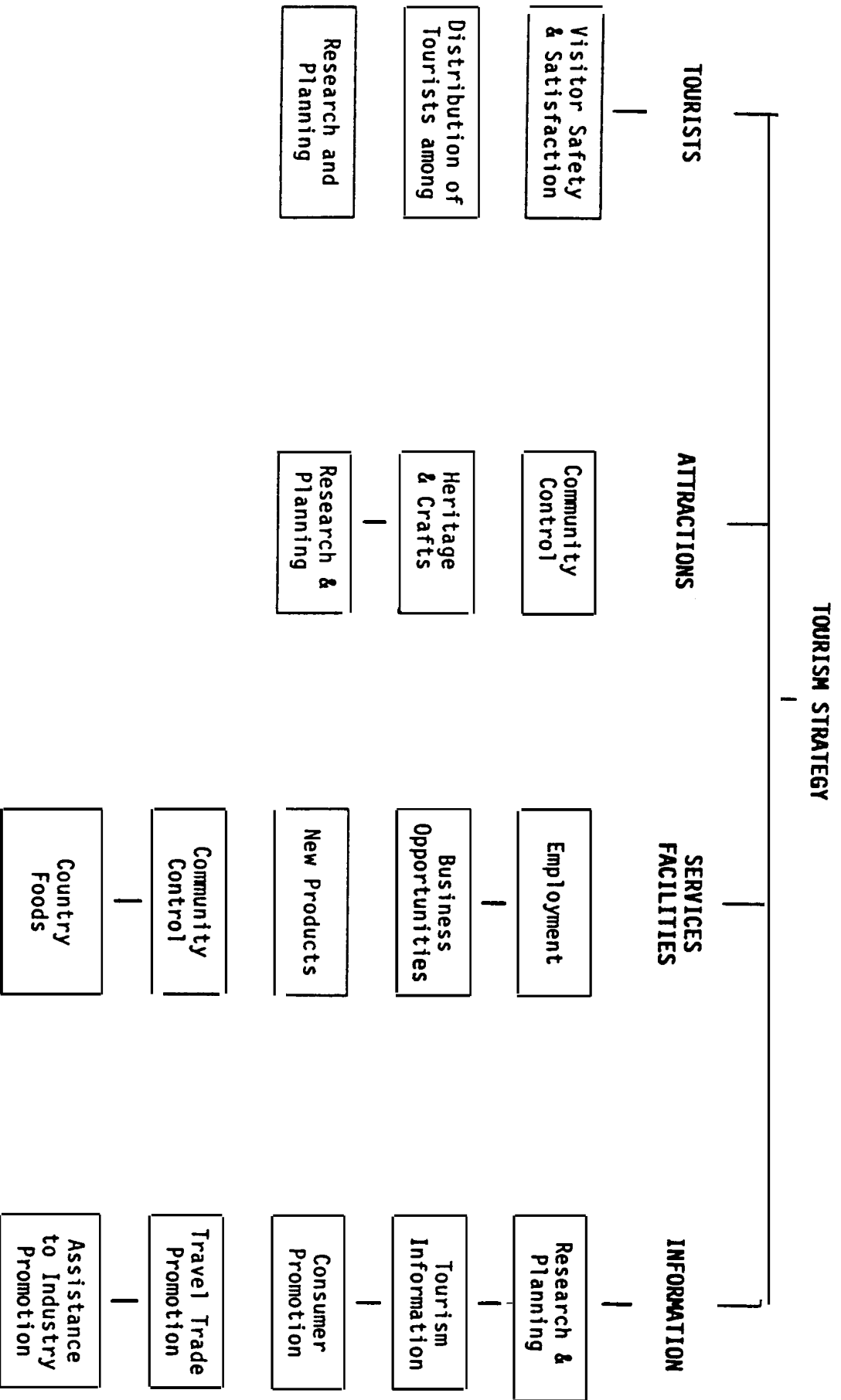
Baffin Region Licensed Outfitters

	<u>Outfitters</u>	<u>Guides</u>
Pangni rtung	6	7
Broughton Island	2	2
Pond Inlet	3	4
Arctic Bay	0	3
Resolute Bay	1	6
Igloolik	1	1
Cape Dorset	2	3
Iqaluit	4	6
Other Outfitters (based in South)		
EcoSummer Can. (Vancouver)	<u>1</u>	<u>2</u>
Total	20	34

THREE IMPLEMENTATION YEAR PLAN

Matching our tourism objectives to the planning model.

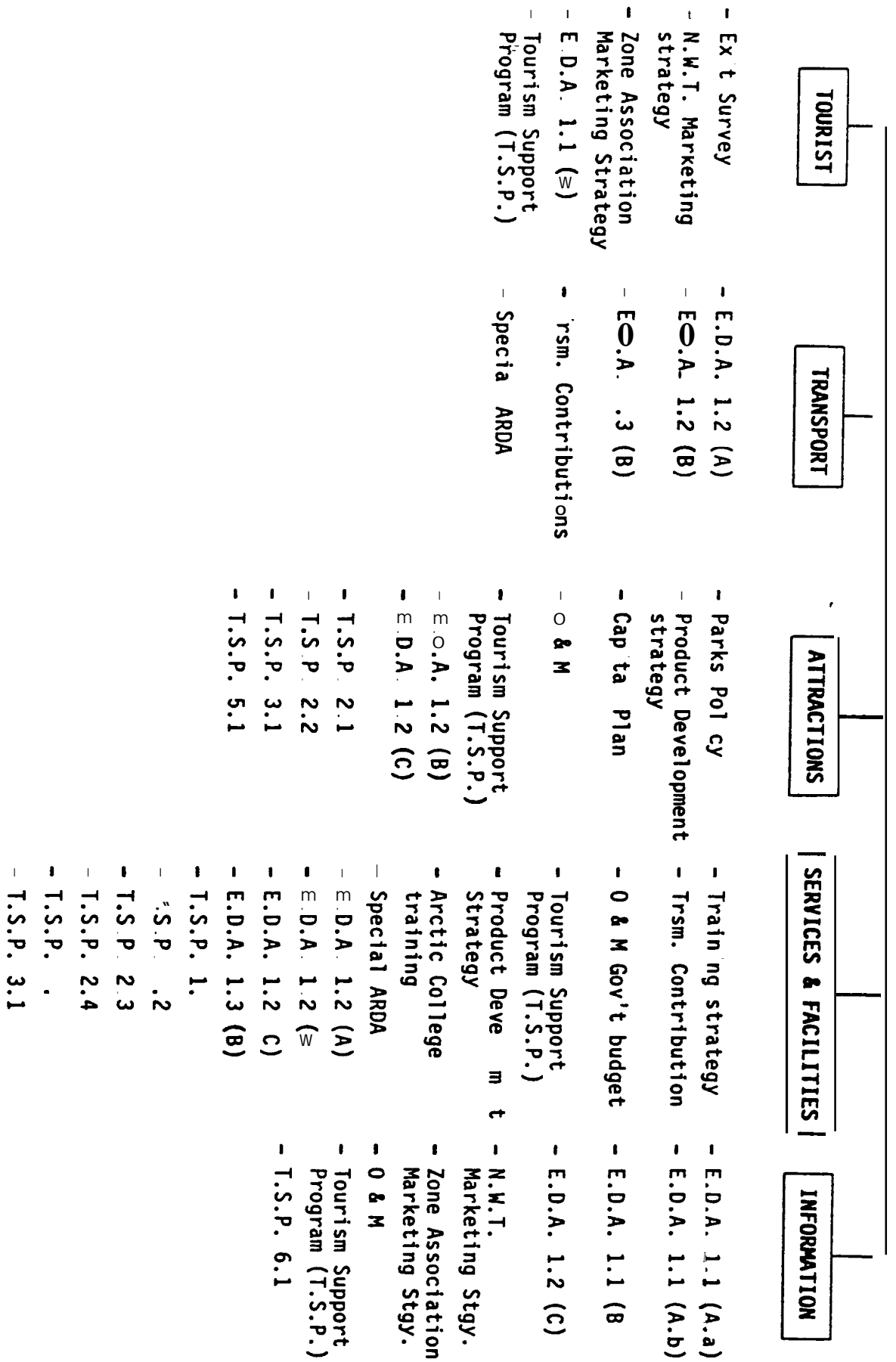
TABLE 25



TOURISM STRATEGY

- Tourism policy
- Department Mandate

TABLE 24



4.2 TOURISTS

Arrange and assist media tours for promotional purposes

Arrange package tour retailers/wholesalers orientation tours

Initiate major regional exit survey

Complete a package tour survey

ATTRACTIONS

Develop a regional master plan for territorial parks management and development.

Develop, with industry, a 10 year capital plan

Evaluate existing attractions

Develop a range of Territorial Parks (at least 2 in 3 years)

Ensure offerings are price competitive

Negotiate with community of Pond Inlet and Parks Canada for possible establishment of a North **Baffin** Park

Encourage in-community tour packaging

Facilitate the development of theme tours

Encourage and assist in the development of a naturalist lodge in the Region.

Develop and deliver quality products

Increase **Baffin** resident ownership of tourism businesses.

FACILITIES AND SERVICES

- Complete a hotel occupancy study
- Increase the number and variety of tourism training courses
- Plan and design the construction of a Regional Interpretive Centre
- Complete the designs for an overflow accommodation facility
- Continue to upgrade hotels, lodges and camps
- Develop theme tours
- Evaluate services
- Administer contribution program/grants
- Establish industry rating system for facilities
- Promote shoulder season use

- Encourage sales of country foods
- Plan E. D. A. implementation through **B.T.A.**

TRANSPORTATION

- Develop a regional signage program for the region
- Include arts and crafts products in future marketing
- Include country food products in future marketing
- **Increase the availability of outfitter training courses and attendance.**

PEOPLE

- Facilitate an increase in the capabilities of the **N.W.T.** Tourism Association to effectively represent travel industry viewpoints, provide a forum for information exchange between business and stimulate the growth of the tourism sector.
 - Formulate an increase in the **N.W.T.** public's awareness of the socioeconomic value of the tourism industry.
-

4.3 THREE YEAR REGIONAL TOURISM PLAN

.1 **Project an Accurate Image of the Baffin Region**

- to ensure perception of tourism services are not misleading. Inhouse program, ongoing.
- insuring advertising is honest and accurate; insure both economic distance and cultural distance not a restraint. Inhouse program, ongoing.

.2 **Increase Visitation by 152 per year (or up to assumed carrying capacity of community.)**

ATTRACTIONS

<u>Product</u>	<u>Funding Source/year</u>
- Providing easy access to attractions by visitors.	
i) by developing attractions near communities and insuring these attractions are compatible with history/cultural aspirations.	E. D. A. through B.T.A. and Community organizations, GNWT capital. 1988 through 1990
ii) Evaluating existing attractions.	GNWT O & M 1988/89.
iii) Developing at least two new Terr. Parks such Apex Creek Nat. Park.	GNWT capital. 1988 through 1990.
iv) Plan, design and construct the Baffin Interpretive Centre.	GNWT capital. 1988/89 to 1990/91.
v) Develop program and management structure for B.I.C. facility.	GNWT O & M 1989/90.

TOURISTS

- improving marketing skills & techniques.
 - i) evaluating present visitor traffic through exit survey. **GNWT** Headquarters O&M 1988/89
 - ii) complete a package tour analysis for 1988. **GNWT O & M** Sept. 1988/89
 - iii) Monitor and make suggestions for **B.T.A.** marketing plan. E. D. A. 1988/89
 - iv) improve data collection and **inter-**pretation to better forecast demand /supply. **GNWT** O&M contracts 1988/89 (see data requirements paper)

.3 **Decrease Leakages**

FACILITIES & SERVICES

Increase **local** ownership and participation in the tourism industry, encourage leadership at industry and community level.

- i) Tourism awareness seminars in communities. GNWT O & M 1988/89
- ii) Increased organization in approaches to marketing and product development. **E.D. A.** through BTA and operators for Co-op.
- iii) Encourage regional operators to invest in marketing their offerings. i.e. J. Mitchell and Arctic Explorer Assoc. E.D.A. through operators. Proposal prepared for 1988/89, implement by 1990.
- iv) Establishment of an inbound tour operator which would include centralized phone answering service, admin. and accounting service, therefore more cost effective. **E.D. A.** through operators and **B.T.A.** 1989/90.
- v) Provide additional and a variety of training courses through Arctic College. **C.E.I.C.** and **O&M G.N.W.T.**
- vi) Make it easier for local people to enter into tourism industry.

Decrease imports by using local products.

- i) Provide incentives to hotel dining to prepare and serve more country foods. Tourism Support program 1987/88. Renewable Res. 1988/89 **O&M.**

5.0 ROLES AND RESPONSIBILITIES

Following are proposed roles and responsibilities for the Tourism Division, other levels of government, other governmental **agencies** and the private sector. The **roles** and responsibilities proposed **for** communities, tourism industry associations and individual businesses are only those which relate to the Department's goals and objectives, not those which relate to the groups' own separate goals and objectives. The regulations, roles and responsibilities other government agencies, such as Renewable Resources, Education, Justice (Fire and Safety), Fisheries and Oceans, and Health and Welfare are accounted for, but not listed, here.

5.1 N.W.T. MARKETING COUNCIL ROLES AND RESPONSIBILITIES

The function of the **N.W.T.** Marketing Council is to direct and coordinate **N.W.T.** tourism marketing efforts of governments, associations and businesses, and to provide independent and knowledgeable evaluation of marketing and research proposals. It is not to deliver any programs. Nor is it to acquire permanent staff; secretarial and clerical support will be provided as required by existing Department of Economic Development and Tourism staff. Council members will not receive honoraria but will be reimbursed for out-of-pocket expenses.

The Council is to have five members: one representative each from the Travel Industry Association, the Department of Economic Development and Tourism, Tourism Canada and two marketing experts who are not on the Executives of any associations, to be selected by the Minister of Economic Development and Tourism. The Council may establish regional sub-committees to keep it informed on regional concerns, and it to select its own chairman from amongst the members.

The responsibilities of the **N.W.T.** marketing Council is to:

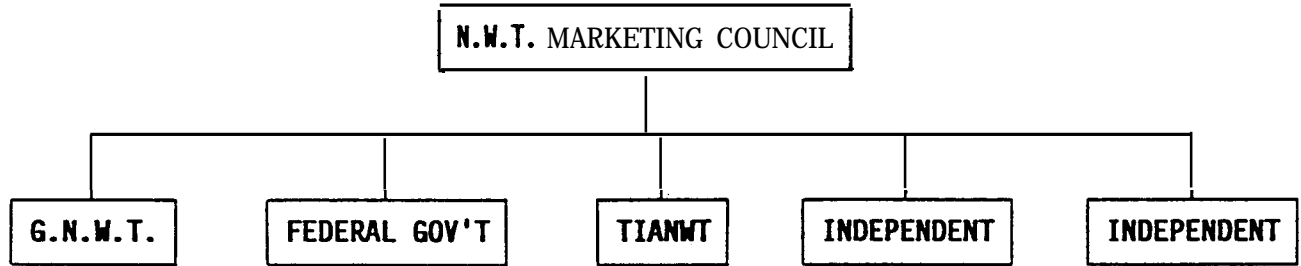
- 5.1.1 Establish marketing priorities and methods with respect to target markets, product categories of product offerings, etc. to be followed by all **N.W.T.** Associations, Tourism Canada and the **G.N.W.T.** ;
- 5.1.2 Critically review the long range marketing strategies of Canada, all of the associations, the **G.N.W.T.** , and the media plans of all of the associations and the **G.N.W.T.** ;
- 5.1.3 Critically review all marketing assistance applications to Canada, the **G.N.W.T.** and the EDA in terms of compatibility with the marketing priorities established by the **committee**, and marketing strategies and media plans endorsed by the Council;
- 5.1.4 Establish **N.W.T.** research priorities for Canada all associations and the **G.N.W.T.**
- 5.1.5 Critically review all Canada, **G.N.W.T.** and association research plans (e.g. data base needs, industry performance criteria, target market definitions, consumer interests, marketing effectiveness **evaluations**, etc.) in terms of priorities established by the Council; and
- 5.1.6 Produce an annual public report which includes:
 - a) the council's marketing and research priorities;
 - b) marketing strategies/media plans formally endorsed by the Council;
 - c) marketing assistance applications endorsed by the Council during the year;
 - d) comments on the effectiveness of the previous year's marketing by businesses, associations and the **G.N.W.T.** ;
 - e) recommendations to improve the effectiveness of marketing by

....

businesses, associations and the G. N.W. T. (coordination, target markets, media selection, **available** resources, etc.);

f) comments on the previous year's industry performance in general;

g) marketplace trends (emerging markets, consumer trends, etc.) to be considered when developing new products.



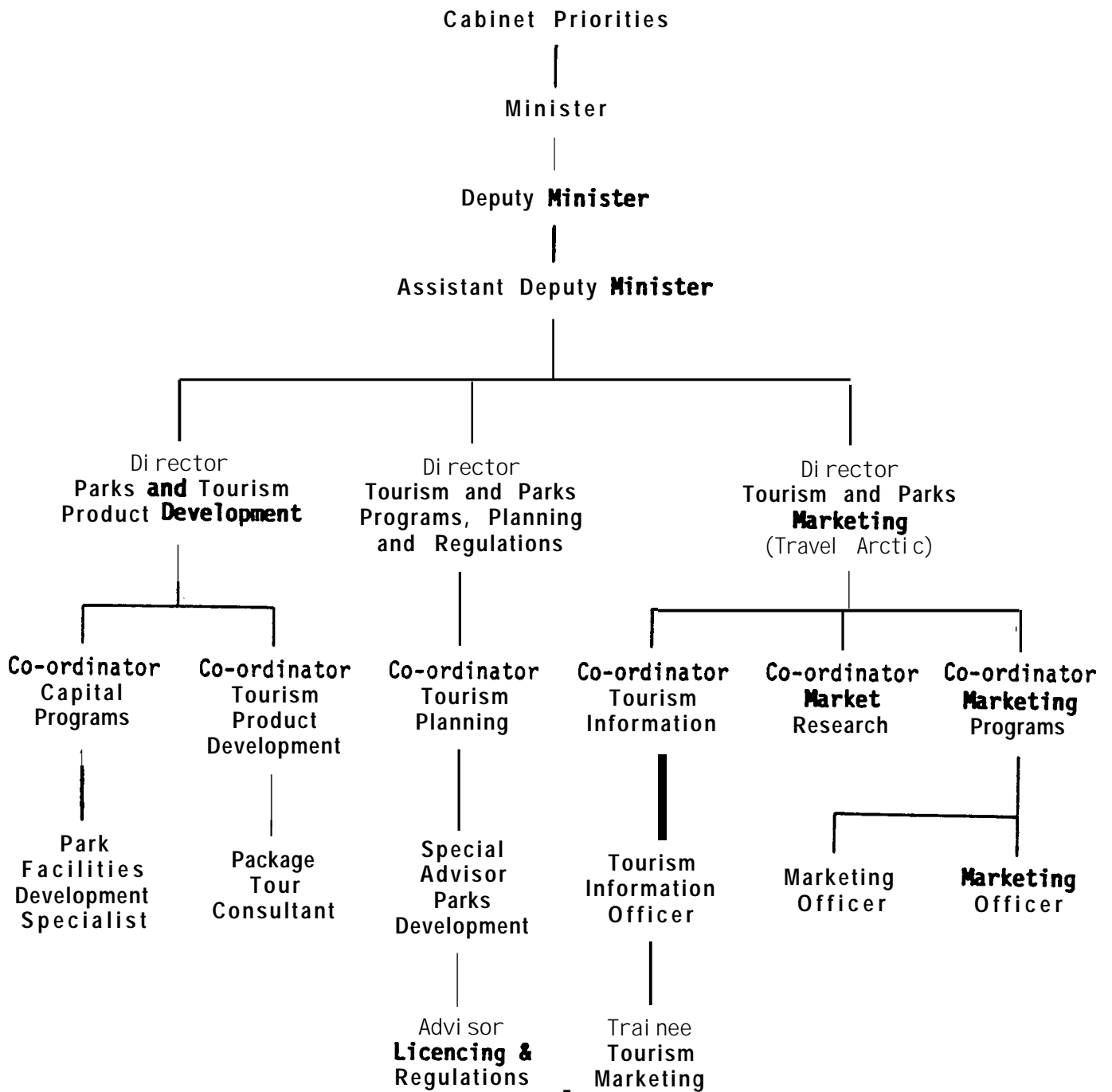
5.2 N.W.T. TOURISM LICENSING BOARD ROLES AND RESPONSIBILITIES

The N.W.T. Tourism Licensing Board is being considered as a means of relieving Regional Tourism Officers of their regulation-enforcement duties so that they may better carry out their front-line development responsibilities. Creation of such a Board, which would report directly to the Minister of Economic Development and Tourism, is currently under review. As proposed, the Board would have an executive director and licensing inspectors on staff. Board members would receive honoraria and reimbursement for out-of-pocket expenses.

- 5.2.1 The Board would award outfitting and tourism establishment, **licences** and direct inspection activities. Appeals could be directed to the N.W.T. Supreme Court;
- 5.2.2 The Board would follow-up on noted infractions except when court actions are deemed necessary, in which cases, it would make recommendations to the Minister.

**ORGANIZATION CHART
ECONOMIC DEVELOPMENT & TOURISM
TOURISM AND PARKS**

TABLE 27



5.3 G. N.W. T. ROLES AND RESPONSIBILITIES

The following Departmental notes and responsibilities are grouped under three general categories: marketing services; product development; and planning and programming:

Marketing Services Roles and Responsibilities

- 5.3.1 Support work of the N.W.T. Marketing Council;
- 5.3.2 Apply the full range of marketing techniques to ensure consumer groups and the travel trade in the N.W.T.'S key markets are aware of selected key N.W.T. tourism attributes, the range of opportunities available in the N.W.T., and where and how to purchase N.W.T. products, with a view to increasing the number and duration of visits to the N.W.T.;
- 5.3.3 In well established markets, ensure **existing levels** Of awareneSS Of the N.W.T. as a desirable vacation destination are maintained, primarily through supporting the efforts of the travel trade;
- 5.3.4 Provide and distribute publications that can effectively: "lure" visitors to the N.W.T.; inform visitors of vacation opportunities across the N.W.T. ; and, assist visitors in being properly prepared for a holiday in the N.W.T.
- 5.3.5 Facilitate consumer response to N.W.T. promotional efforts, including provision of a North American 800 toll free phone service to the N.W.T.
- 5.3.6 Effectively respond to enquiries directed at the G.N.W.T. concerning vacation opportunities in the N.W.T., and ensure that visitors are directed to those communities which are capable and desirous of meeting visitors' expectations;
- 5.3.7 Support the media in preparing accurate and "enticing" articles on vacation opportunities across the N.W.T.;
- 5.3.8 Provide media and travel trade representatives with access to an up-to-date audio-visual library;
- 5.3.9 Provide a marketing consulting service to the travel industry association and community businesses;
- 5.3.10 Act as principal point-of-contact with other governments for marketing initiatives, and facilitate inter-governmental cooperative marketing initiatives that are beneficial to N.W.T. tourism businesses;
- 5.3.11 Develop and implement a research program which results in up-to-date data concerning: new and emerging markets consumer trends; N.W.T. industry performance; N.W.T. industry capacity and utilization rates; key N.W.T. visitor attributes; and the effectiveness of departmental marketing programs; and
- 5.3.12 Maintain and make publicly available up-to-date marketing, media and research plans, support by the N.W.T. Marketing Council, to guide G.N.W.T. marketing efforts;

5.4 PRODUCT DEVELOPMENT

- 5.4.1 Provide site, facility and packaged tour development consulting services, to communities, associations and individual businesses;
- 5.4.2 Assist **N.W.T.** businesses in joining with other **N.W.T.** businesses to develop attractive and competitive packaged vacation offerings; identify national and international tour wholesalers to sell those packages, and bring the wholesalers together with **N.W.T.** businesses in **mutually-beneficial** contractual arrangements;
- 5.4.3 Where economically feasible, and in conjunction with interest groups, identify and facilitate the **development** of at least one visitor attraction of international significance in each region;
- 5.4.4 In conjunction with tourism association, develop and oversee delivery of Tourism Support Programs which assist individual businesses to increase the availability of packaged tours, adjust their products to better meet visitor demands, and increase the length of visitor stay and local expenditures;
- 5.4.5 Work to ensure that visitors arriving in any region can readily obtain information concerning vacation opportunities, and can **readily** purchase **N.W.T.** travel services;
- 5.4.6 Ensure that public infrastructure in host communities is consistent with (or exceeds), established standards;
- 5.4.7 Direct the development and management of a system of territorial parks, in support of visitor needs and interests;
- 5.4.8 Together with representatives of the Business Development Division, assist tourism-related businesses in drafting business plans;
- 5.4.9 Cooperate with the Business Development Division in identifying and publicizing potentially profitable private sector opportunities associated with the industry;
- 5.3.10 Act as the principal contact for other governments with respect to them on inter-governmental product development initiatives; and
- 5.3.11 Maintain and make publicly available an **N.W.T.** product development strategy and long-range capital plan to guide the efforts of the Tourism Division at the territorial and regional levels.

5.5 PLANNING AND PROGRAMMING

- 5.5.1 Provide a consulting service to the Marketing and Product Development groups in the drafting of their plans and assessing the effectiveness of their programs;
- 5.5.2 Delineate guidelines and criteria for, and oversee review of, enforcement of legislation which will facilitate effective monitoring, enforcement and control of the tourism industry;
- 5.5.3 Support the activities of the **N.W.T.** Licensing Board, if approved;
- 5.5.4 Design and manage programs to ensure the health, effectiveness, and **representativeness** of the tourist association;
- 5.5.5 Draft and obtain approval for required policies, regulations and legislation;
- 5.5.6 Direct the review of public and private sector initiatives that could significantly affect the **N.W.T.** tourism industry;
- 5.5.7 Identify and make publicly available future possibilities for evolution of the **N.W.T.** tourist industry;
- 5.5.8 Support the efforts of the Department of Education's **Tourism** Manpower and Needs Board;
- 5.5.9 Ensure delivery of effective hospitality and other skill improvement programs to **G.N.W.T.** staff, industry personnel and relevant members of the public; and
- 5.5.10 Work to ensure that any negative social, cultural, or environmental **impacts** of tourism initiatives do not exceed a level deemed acceptable **by the** host communities;
- 5.5.11 Represent the Division in the design and delivery of costshared, federal-territorial programs to support the industry; and
- 5.5.12 **Identify** and obtain lands of **potential** parks as tourist attractions, and **negotiate** with Parks Canada on all matters related to **N.W.T.** national park reserves;
- 5.5.13 Critically evaluate and make recommendations with respect to all applications for licenses, and financial and technical assistance from businesses and communities. Draft contribution agreements, monitor adherence, and take follow-up action as required;
- 5.5.14 Work to ensure that **N.W.T.** businesses and the **N.W.T.** resident labour force derives the majority of the economic benefits associated with tourism;
- 5.5.15 Take steps to ensure the **health**, effectiveness, and **representativeness** of TIA and the zone associations.

5.6 TOURISM INDUSTRY ASSOCIATIONS ROLES AND RESPONSIBILITIES

- 5.6.1 Maintain a paid membership representing at least 51% of their respective regions' tourism businesses;
- 5.6.2 Serve as a lobby for the private sector, (i.e. provide a forum for members to develop positions on desirable future directions for the industry; the effectiveness of government programs affecting the industry, the role of individual businesses, associations, **community-**regional councils, and Canada and **G.N.W.T.** in support of the industry);
- 5.6.3 Provide members with up-to-date information on: industry trends and any factors that might result in change to the **N.W.T.** tourism environment; opportunities to increase skills and knowledge; and opportunities to share experiences;
- 5.6.4 Pool funds and other resources to facilitate cooperative action among tourism operators and zone associations (notwithstanding their recognized autonomy);
- 5.6.5 Access and pool funds and other resources that will permit zone-wide marketing efforts resulting in increased sales opportunities for a cross-section of businesses; and
- 5.6.6 Enter into contractual arrangements with the **G.N.W.T.** and Canada to deliver programs that would benefit the entire industry (delivery of which would be free for association members and subject to an administrative charge for non-association members).

5.7 COMMUNITY COUNCILS ROLES AND RESPONSIBILITIES

The following roles and responsibilities refer to municipalities, band councils, regional councils.

- 5.7.1 Lobby higher governments for the provision of adequate public infrastructure in their respective jurisdiction;
- 5.7.2 Through business licensing and municipal bylaws, ensure tourism development is consistent with the aspirations of their residents and of an acceptable standard in every respect;
- 5.7.3 Ensure that municipal services and land are available at a reasonable cost to prospective businesses;
- 5.7.4 Ensure that municipal employees make visitors feel welcome and encourage residents and businesses to increase their hospitality skills; and
- 5.7.5 Appoint a contact person or group to represent their jurisdictions on tourism matters.

5.8 INDIVIDUAL BUSINESS ROLES AND RESPONSIBILITIES

- 5.8.1 Conceive, develop and deliver consistently excellent tourism products;
- 5.8.2 Provide clients with adequate **pre-trip** information.
- 5.8.3 Ensure visitors to the **N.W.T.** receive vacation experiences that are consistent with or exceed **pre-trip** expectations;
- 5.8.4 Work to ensure that each client becomes an advocate for vacationing in the **N.W.T.**;
- 5.8.5 Provide financial support for and participate in the activities of the associations;
- 5.8.6 Make maximum use of services/goods offered by other **N.W.T.** businesses; and
- 5.8.7 Make maximum use of the **N.W.T. labour** force; contribute to and actively support upgrading of the **labour** force and hospitality skills of the public and other businesses;

6.0 TRAINING

Recognizing the importance of a trained **workforce** in the tourism industry, the Departments of Economic Development and Tourism and Education have developed a tourism training strategy that takes into account the fact that there are a variety of solutions to training problems and that a combination of delivery methods will be required to address the varied needs of the tourism industry.

6.1 Tourism Awareness

Tourism awareness is a critical element of the training strategy, and a detailed program of public relations should be undertaken. This is primarily a responsibility of the industry itself and should be **co-ordinated** between the Department of Economic Development and Tourism and the Travel Industry Association of the **N.W.T.** This will be achieved **by:**

The Travel Industry Association and Economic Development and Tourism agreeing on the purpose of objectives and objectives of a Tourism Awareness Seminar which will meet the needs of the Territories. These objectives will be developed in consultation with Zone Manager to ensure the needs of all parties are addressed.

The **TIA** accepting proposals from any interested and qualified groups to delivery a seminar to achieve the approved objectives. This will be funded by **TIA** and Economic Development.

6.2 Career Promotion

Career promotion should be stepped up as an activity of both the tourism industry and the Department of Education. This should be undertaken as a public relations tool as well as an integral element of any career counseling activities of the Department of Education. Wherever possible existing career promotional materials should be used from Federal and Provincial agencies. This will be achieved by:

The Department of Education will prepare an inventory of all existing Tourism/Travel related career materials currently available within the Dept.

The **TIA** will prepare an inventory of any materials available within its membership.

Wherever possible the **TIA** will be invited to participate in Career Shows and Career Days for schools and the public.

6.3 Co-operative Education

-

Some programs may only be provided as a combination of training-on-the-job

with theory components. The curriculum for the theory portion of these program will be developed by the Department of Education or Arctic College **in** consultation with the industry, and may be delivered either by Arctic College or a private contractor. The training-on-the-job will be the responsibility of the employer. Support will be provided by the Department **of** Education to fund training-on-the-job salary subsidies. This will be achieved **by**:

The industry advising on the Job Standards will be adopted by the Manpower Needs Board.

Designing the theory training provided by Arctic College or by Private Contractor to meet the approved standard. Programs **will** be delivered by qualified instructors.

The training-on-the-job provided by the employer will be designed to reinforce the theory and to provide the trainee with practice and feedback in the job setting.

6.4 Training-on-the-Job

Some training can only be conducted at the job site as training on the **job**. This will continue to be the responsibility of employers in the industry.

Wherever possible, training should promote standards as determined by the industry and approved by the Tourism Training and Manpower Needs Board.

6.5 Certificate/Diploma Courses

Other programs may be delivered as certificate or diploma courses at **the** Arctic College. These one to two-year programs will provide 'the education and training required by members of the public who wish to develop careers in the tourism industry. This will be achieved by:

Arctic College developing curriculum in consultation with the industry.

The industry establishing the work standards for both skilled and unskilled workers through Tourism Training and Manpower Needs Board. All training will be designed to meet these standards.

6.6 Extension Programs

Other training programs will be best delivered through extension courses (short term) at the community level. This will be achieved by:

The industry developing job standards.

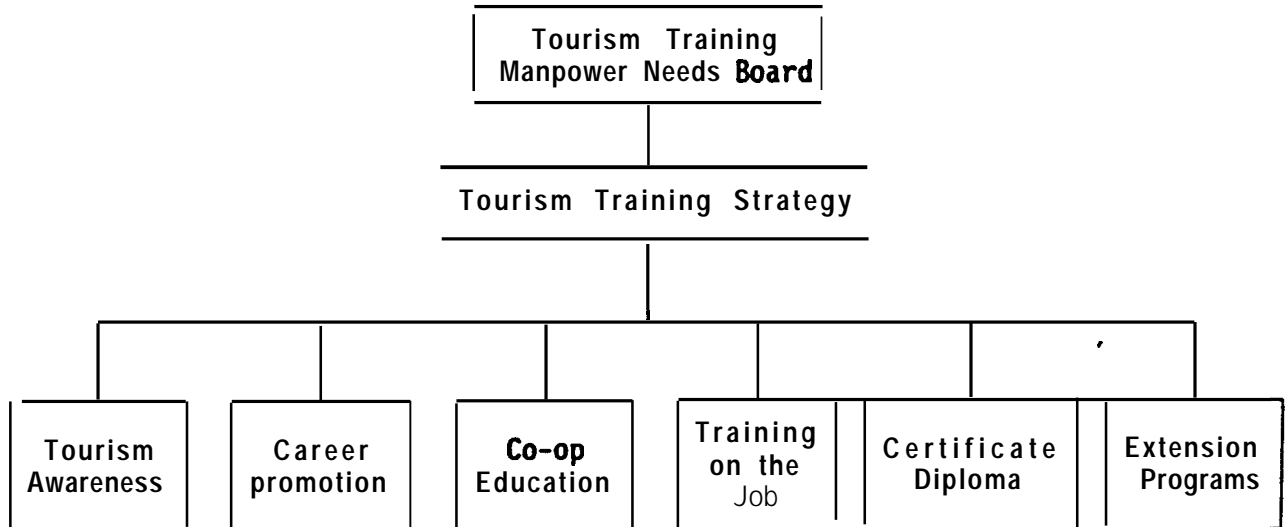
Delivering courses through Arctic College or by Private

Contractor. Courses will be -designed to meet existing job standards, and will be delivered by qualified instructors.

6.7 **Conclusion**

The goal of the Tourism Strategy is well trained, competent and professional **workforce**, and the promotion of careers in the Tourism/Hospitality industry.

6.8



7.0 TERRITORIAL PARKS PROGRAM

The **G.N.W.T.** creates Territorial Parks, in consultation with concerned citizens and their representatives, for the following reasons:

- 7.1 to provide facilities and opportunities for outdoor recreation, enjoyment, education, and appreciation of the natural and cultural heritage of the N.W.T.;
- 7.2 to create a focus for marketing the natural and cultural heritage of the **N.W.T.** as part of its tourism industry;
- 7.3 to attract visitors to areas where recreation can be pursued in relative safety and in minimal conflict with other activities or phenomena such as traditional land and resources uses, industrial development, and sensitive biological features or historic resources;
- 7.4 to designate or commemorate historic or cultural resources;
- 7.5 to offer opportunities for employment and contract work which take advantage of the skills of native peoples and are compatible with northern lifestyles;
- 7.6 to provide basic emergency or convenience shelter for the traveling public;
- 7.7 to support guides and outfitters.

8.0 **MARKETING**

8.1 BACKGROUND

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

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

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

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

In recognition of the growing significance of tourism, the **Strategic Marketing Plan** was initiated. Its mandate is to examine the current environment of tourism, assess the marketing practices of the N.W.T.'S major marketing organizations and to define a mid-term marketing strategy specifically for the Government of the Northwest Territories.

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

8.2 MANDATE AND GOAL OF THE GOVERNMENT
OF THE NORTHWEST TERRITORIES -

The mandate of the **G.N.W.T.** is to facilitate and promote the health development and prosperity of the tourism industry.

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

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

8.3 ROLES AND RESPONSIBILITIES

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

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

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

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

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

The marketing on behalf of the entire industry in order to **create** optimum levels of awareness, image, interest, positive attitudes/perceptions, and motivation is the responsibility of the Department, in order to provide the maximum benefits to the private sector. In recognition of the tremendous potential of tourism opportunities for the communities and native populations of the Northwest Territories, the Department is ensuring that all initiatives support and assist the private sector in its own development objectives.

8.4 IMPLEMENTATION PLAN

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

8.4.1 Which Market Components Were Examined?

The following groups were examined for strengths and weaknesses:

- Outdoors/Adventure **Traveller**
- Arts/Culture/Touring **Traveller**
- Business/Government **Traveller**
- The **Travel** Trade (agencies, wholesalers, etc.)
- Tourism and other Influential Media
- Influential clubs and organizations

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

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

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

8.4.2 What are the Guiding Principles of the Strategic Plan?

- 1) All programs are implemented for the direct benefit of the tourism industry of the **N.W.T.**;
- 2) All initiatives are executed in concert with and to strengthen the activities of the private sector;
- 3) The target effects of the annual plan will be to:
 - expand existing markets;
 - promote longer stays and higher expenditures;
 - enhance positive image, awareness, perceptions and attitudes towards the **N.W.T.** as an attractive tourism destination;
 - attract new markets;

- increase shoulder-season -tourism; and
- promote the disbursement of benefits throughout the Northwest Territories - including higher employment of northern residents, more communities involved in tourism and benefiting from tourism, and generation of revenues to the government through taxes.

8.4.3 What will the Plan Achieve?

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

- 1) To support and assist the industry in the healthy development of the sector.
- 2) To assist the industry, particularly in smaller communities, to maximize sales of tourism products and services.
- 3) To encourage and assist native population in participating in the industry.
- 4) To increase the linkages of native **culture, arts, leisure,** recreation and tourism, in tourism marketing.
- 5) To have a systematic research program to assist the industry in product and market planning.
- 6) To develop brand recognition in the marketplace with the appropriate levels of image, awareness, etc.
- 7) To be a market leader, promoting high-quality intrinsic values of uniqueness, exclusivity, setting, **style, lifestyle, culture,** drama, and status.
- 8) To provide measurable opportunities and results for the industry, which includes highly-qualified prospects for conversion to sale.
- 9) To development markets co-operatively with the industry.
- 10) To provide the ability to take advantage of marketing opportunities on a global scale, as they arise.

8.4.4 The Programs of the Strategic Marketing Plan

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

The new co-operative programs include:

- a. A Consumer program for the Outdoors/Adventure market (**non-**

consumptive and hunting/fishing generally);

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

8.5 INDUSTRY PARTICIPATION

Whenever and wherever possible, programs will be implemented in co-operation with or jointly with the private sector.

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

Influential media and trade guests will be hosted in co-operation with the private sector - the specific hosting operator will receive proper credit and benefits.

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

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

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

8.6 BASIS OF THE PLAN: A CRITICAL REVIEW

8.6.1 The Tourism Sector

The worldwide economic environment is being transformed, with new business and trading patterns emerging and investment flows being re-defined. Globalization of all industries is occurring without exemption, including tourism.

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

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

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

Recent surveys and available data reveal that:

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

The tourism sector of the Northwest Territories economy is exhibiting all of the classic symptoms of a neophyte industry which has severe handicaps. The impediments to success for **N.W.T.** tourism are many -- historically enforced by inadequate product and market development stimulation as well as inappropriate resources. The Department is

now taking very positive action to correct this and also **to** take advantage of opportunities to help the industry achieve positive results in as short a period of time as possible.

8.6.2 Developing an Economic Sector

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

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

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

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

8.6.3 **Sectoral** Evolution

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

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

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

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

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

8.6.4 Strategic Assessment

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

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

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

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

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

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

The consequences of these factors are:

- a. the lack of private sector resources is placing an increased burden on public funds, which are **also** strained;
- b. collectively, the **N.W.T.** tourism industry is at the marketing launch stage and must enter the marketplace with a global perspective;

- c. N. W.T. tourism will have to compete aggressively with seasoned opponents to develop a market base;
- d. three crucial success factors must be quickly developed in a tourism context: brand name status, a solid market positioning strategy and a tactical competition plan;
- e. although not generally known, the Northwest Territories have abundant superlative features, attributes, natural attractions and resources in a well-defined tourism product category, all of which offer tremendous market potential on a global scale;
- f. important economic development of the tourism sector requires insurance through an immediate long-term commitment from the Government of the Northwest Territories and other levels of government to substantial financial investment and a concomitant dedication to product and market growth;
- g. **priority** issues requiring ongoing and persistent attention **include** consistent and constant communications throughout all sector strata (public, private enterprise, public bureaucracies, politicians, media), stimulation of product development and a solid infrastructure, and a thoroughly integrated, state-of-the-art and dynamic marketing plan which exploits marketing opportunities as much as possible.

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

8.6.5 The Strategic Approach

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

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

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

The strategy provides a modular framework for the private sector,

including small operators, to participate in and directly benefit from major programs in the **marketplace**. The maximum impact will be made through continued and increased collaboration, and co-ordinated, co-operative initiatives between public and private sectors.

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

8.6.6 Opportunities for Competition

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

Critical requirements for development of this sector includes:

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

8.6.7 Optimizing Potential

The strategic plan proposes to maximize the potential of the products and services which the **N.W.T.** tourism industry has now.

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

Optimizing current potential with a long-term view entails

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

9.0 A TRANSITION MARKETING PLAN FOR THE **BAFFIN** ZONE ASSOCIATION

9.1 OVERVIEW

This region is well established as a tourism destination. Experience with visitors over many years has resulted in the development of a solid, carefully-built tourism plant. The involvement of the resident populations in all aspects of development of this regional economic sector has led to the industry's positive evolution with a minimum of disruption to the communities and residents societies.

As the easternmost area of Canada's Northwest Territories and the gate-keeper of the North Pole and the Northwest Passage, the **Baffin** region has a long tradition of hosting travelers, adventurers and explorers/wanderers. Its rich **Inuit** culture and abundant northern marine and wildlife have attracted generations of traders, whalers and hunters in the early days and, more recently, modern day "voyagers", history buffs and outdoors enthusiasts.

The tourism sector comprises a mix of cultural and arts groups, tourism entrepreneurs and organizations, and a variety of facilities and services throughout the region. Development of the tourism infrastructure and plant are continuing with renewed **vigour**, as **alternative** industries face hardships and possible demise - e.g. the fur (seal) industry and mining.

The general characteristics of the region include the following:

1. the region is famed for providing a staging area for and the launch of historical expeditions throughout the Arctic/Northwest Territories, to the North Pole, through the Northwest Passage "to China", etc.;
2. its rich, cultural heritage provides strong tourism appeal;
3. although entry to the region is limited to air travel or boat, access is excellent and very convenient;
4. there are a variety of land and water-based activities throughout the region, in the outdoors category;
5. the product line is limited outside of this category, even in the hub/feeder community of **Iqaluit**, and specific products are strongly tied to natural resources;
6. some packaging exists, however much more is needed;
7. there are excellent air transportation networks between communities and an assortment of services;
8. product development has been planned for the medium term for all communities; involving all aspects of plant and infrastructure;
9. there is a general lack of depth of attractions and events (except

for **Toonik** Tyme - which is more of a "local" event);

10. the absence of leisure and recreational activities for visitors are a drawback, including evening activities in the communities;
11. there is a general lack of hospitality awareness, positive attitudes, training - although this is improving;
12. there is an unstable product supply (no guarantees);
13. there is a lack of excess capacity during peak periods (the tourist season) of the facilities, accommodation and services.

9.1.1 Features and Attributes: Region

- excellent access from Europe, Greenland, Montreal, Ottawa, Toronto, Winnipeg, Rankin Inlet and **Yellowknife**;
- convenient feeder/hub centres in the U.S. include Chicago, Syracuse, New York, Baltimore, Atlanta, Dallas/Ft. Worth;
- varied accommodation in hotels/inns, with capacity for approximately 500, plus camp grounds, camps and lodges;
- spectacular scenery, attracting photographers and naturalists worldwide;
- unique and plentiful northern marine and wildlife, sanctuaries.
- lots of naturalist and amateur "scientist" activities, photo and viewing safaris, rock-hounding, self-guided trekking;
- abundant outdoors non-consumptive and consumptive activities: walking, hiking, camping, water activities, mountain climbing, cross-country skiing, dog team trips, hunting and fishing;
- many points of interest, geologically, biologically, and historically: the region is full of historical sites which have been or are being interpreted;
- traditional, historical communities and sites;
- rich **Inuit** culture and tradition;
- lots of native arts and crafts produced throughout the region;
- abundant native country foods;
- eating facilities are excellent and offer a varied menu in the major centre of **Iqaluit**, with "home-style" service throughout the region;
- amenities, facilities and services range from rudimentary to modern good quality;

- special attractions: the entire region's geological formations and features - fiords, **mountains**, glaciers; reknowned destination areas of **Auyuittuq** Park and **Ellesmere** Island, the North Pole, the Northwest Passage, Bylot Island Bird Sanctuary, Cape **Dorset** - as an arts community and for the bird sanctuary, the art community of Lake **Harbour**, the **Iqaluit** Museum, **Thule** era sod, whalebone and stone houses, whaling stations, the rich traditional **Inuit** culture, lifestyle and people, **Nanisivik** Mine, **sports-fishing** and sportshunting; package tours from Toronto and Montreal to "see the Midnight Sun".

9.1.2 Barriers and Drawbacks:

- other than **Iqaluit** and Pangnirtung, the communities need to be sensitized to tourism and tourism requirements;
- all aspects of orientation and training are required - hospitality training, outfitters/guide training, general tourism awareness, etc.;
- stronger orientation of the travel trade is required, with a concerted program of product knowledge development and salesmanship;
- there are not enough tour packages available and there is only one inbound tour operator at the present time;
- tour guides, hosts and travel counselors are required for additional service to arriving tourists, in order to increase their length of stay, level of-expenditures while in the **communities**, as well as to encourage highly positive personal **experience** referrals and recommendations to other potential visitors to the region;
- the general lack of capital funds restricts the process and increases the time requirements of development (currently concentrating resources on two or three communities out of the thirteen.
- generally, more development is required for tourism plant and infrastructure growth, products, services and product packages.

9.1.3 Exotic World-Class Appeals:

- wildlife: exotic and unique sea mammals and fish, Narwhal, Bowhead and **Beluga** Whales, porpoises, Polar Bear, Snow Geese, exotic species of birds nest here, caribou, wolves, Arctic Hare, white fox;
- expeditions: to the North Pole, mountaineering, skidoo trips, rafting, canoeing, dogteam trips, nordic skiing;
- setting: Arctic and High Arctic Archipelago, spectacular scenery, world-reknowned geological formations, mountains,

fiords, ice-age glaciers, icebergs "floating **islands**", rolling tundra;

- experiences: unusual arctic climate (frigid), trekking, exploring, all naturalist activities, exploring the many historical sites, traditional settings, rugged environment and conditions, retracing the route of the first visitors, sleeping in an igloo, cruising the Northwest Passage, mountaineering, big-game hunting and **sportsfishing**;
- .experiencing a different culture - the traditional **Inuit** culture/heritage and, meeting the residents;
- .viewing the creation of arts and crafts
- .special events: **Toonik** Tyme, marathons (invitational);
- wide range of country foods;
- .very welcoming communities - very friendly and helpful to visitors.

9.1.4 Potential for Tourism Growth:

- all non-consumptive outdoors activities, wildlife viewing, ornithology, photo safaris, etc.;
- more cruises and other water activities;
- communities' arts/culture/heritage tours;
- more historical tours, touring;
- development of wilderness expeditions "curriculum/packages";
- dispersal of tourism benefits to as many of the thirteen communities as possible through the development of thorough world-class tourism products which are offered in non-competing packages (e.g. history vs **sportsfishing** vs mountaineering vs **helihiking**);
- more self-guided tours;
- more special events and tourism attractions, including leisure and recreational activities and evening activities in the communities for visitors;
- .more value-for-money guarantees/assurances in package offers (complete experience visits, which include exposure to **communities** and community life as well as outdoors activities);

9.1.5 Major Current Concerns:

- Lack of sufficient outfitters and guides;
- Lack of tour hosts/guides and travel counselors in the **commun-**

ity;

- lack of inbound tour operators and sufficient product packages;
- lack of sufficient sensitization and understanding of tourism and its potential benefits to the communities, resulting in need for strong program of tourism/hospitality awareness and positive attitude development;
- insufficient accommodation in communities during the peak tourist season, and competition between tourists and construction/work crews for available facilities during this period - this dilemma is shared by the purveyors of services and products who must choose one type of customer to the disadvantage of the other;
- facilities are not of uniform standards and quality, with some cases causing serious harm to visitors' perceptions and experience satisfaction levels;
- equipment is not always available or it does not exist/
- short season, although some attempts are being made to lengthen it through **skidoo** trips, nordic skiing, etc.;
- strong need for investment stimulation and plant upgrading in some areas;
- major dependence on government funding and assistance;
- management of sector development must be consistent and respecting the carrying capacity of the communities which want to become involved (restricting airplane size and hotels).

9.1.6 Current Tourist Profile:

- see under target markets

9.1.7 Current Tourism Season Profile:

- the tourism season is year-round, with the majority of activities between June and Mid-August;
- the climate is frigid, with warm fall and winter clothing which is normally worn in the south being required even during the "summer";
- the weather has a major impact on the region, with access being dependent on factors of tides (**Frobisher**), fog, and winds;
- volumes of visitors are approximately

9.1.8 Marketing Activities to Date:

- Advertising in southern publications;

.Poster series;

.brochures **co-operatively** developed with the private sector;

.sportsman's and outdoors shows.

9.2 BUSINESS PLAN

9.2.1 Goals:

The goals of the **N.W.T.** zone association are:

1. to enhance the image of the zones as a world tourism destination;
2. to enhance the economic benefits to members;
3. to achieve recognition of the TIA and the zone associations as the premier representatives of the tourism industry and to recognize that they represent **everyone** in the tourism industry;
4. to achieve self-sufficiency in the long term.

9.2.2 Benchmarks for achieving these goals over specified time frames are as follows:

1. Enhance the image of the **N.W.T.** by in:

2 years - delivering complete travel counseling programs;

10 years - developing a strong identity and awareness of the tourism zone as a tourist destination;

2. Enhance the economic benefits to members by:

developing professional service bureaux;

developing community service program, stressing native involvement;

developing revenue generating programs;

developing community tourism development and outreach programs;

delivering annual marketing-communications program to generate sales for members from developed markets.

3. Recognition as Premier Representative of Tourism Industry by/in:

3 years - achieving 70% representation of tourism industry;

5 years - achieving 80% representation of tourism industry;

10 years - achieving 100% representation of tourism industry;

3 years - achieving 70% representation of tourism-associated industry;

5 years - achieving 80% representation of tourism-associated

industry;

10 years - achieving 100% representation of tourism-associated industry;

3 years - developing a lobby practice and to achieve prominence and influence;

3 years - developing a professional development program industry.

4. **Self-Sufficiency within ten years.**

6 - 8 months - developing a business plan;

2 - 3 years - achieving financial independence by generating own revenues in addition to any other sources of revenues;

5 years - achieving operating independence - particularly reducing dependence on government* through self-regulation;

10 years - achieving total financial independence.

- Includes the Government of the Northwest Territories and the Government of Canada. Currently restrictions and regulations are enforced because of an umbilical relationships for funding - particularly the EDA for tourism marketing activities.

9.3 ECONOMIC ISSUES

9.3.1 Current and Future Industries:

The major resource-based industries that are currently so important to the **N.W.T.** are threatened or doomed and it is not likely that the Government can take up the slack. Government employment levels are likely to remain constant. Military **communities** are in transition and some communities will benefit from the opening of new military bases while others will suffer as older bases relocate or shut down.

Future economic developments will be strongly influenced by future developments in oil, gas, mineral, and other primary industries. Insurance **will** also have a major impact in the medium terms, due to the rising cost of liability insurance.

9.3.2 Government Programs:

Increased military activity in North will bring in some income to certain communities; however, other communities will suffer - as the example of **Inuvik** illustrates - from the closure of older bases.

9.3.3 Employment:

Levels of employment in the **N.W.T.** are low and are likely to remain so in the foreseeable future.

9.3.4 Education/Training Programs:

The **N.W.T.** population as a whole has low levels of education and job training.

9.3.5 Social Welfare Programs:

Social welfare programs have an important impact in the **N.W.T.** Many residents are dependent on these programs.

9.3.6 Economic Development:

Economic development is restricted by strict licensing requirements and by the uncertainty of the land claims situation. Investors are wary because of the uncertainty of this situation and also because of the Territories' affirmative action programs.

The renewable resources sector may hold promise for the future. The growth and encouragement of active involvement in industry should have a positive impact on existing industry organizations.

9.3.7 Unique Zone Characteristics:

Baffin:

Baffin residents have a favorable attitude towards earning money from tourism. Indeed, money creates interest in tourism. **Baffin** residents are fortunate to have **Auyuittuq** Park at **Pangnirtung** as a model of development for other communities. The expected death of **Nanisivik** Mine within 5 years will create some economic hardship in the **Baffin**.

9.4 ENVIRONMENTAL CONDITIONS & IMPACTS

9.4.1 Social/Cultural Issues:

Tourism is viewed with anxiety by most communities. They are worried about the ecological, cultural, and societal impacts of tourism, but, at the same time, they are attracted by the economic benefits tourism offers.

Residents of the **N.W.T.** have been preoccupied with the land claims issue and, as a consequence, the potential benefits of tourism have not been fully recognized.

Significant advances in education, training and orientation are essential if tourism/hospitality services are to be successfully developed. Business management training **requ**ires "institutionalization" throughout the **N.W.T.**

Communications barriers also exist. Some residents speak little or no English, and low levels of education and job training also create difficulties.

9.4.2 Zone Characteristics:

Baffin:

Social impact and concerns are similar throughout the **N.W.T.** More public awareness and training programs are needed for the region to get the most out of the tourism industry. However, the careful planning and strong **community** participation and voluntary development have greatly strengthened prospects for continued tourism development and health growth. For example, the Pond Inlet Theatre Group and the Kekerten Whaling Stations are newly developed tourism attractions.

9*5 POLITICAL ISSUES

9.5.1 Current Political Climate:

Generally, the current political attitude towards tourism is positive, though there is always room for improvement. Popular pressure for tourism development may yield returns as the popular opinion is being listened to. The settlement of land claims will have a positive impact; however, current uncertainty in this area is causing difficulties.

9.5.2 Developing Trends:

Political support for tourism in the **N.W.T.** is improving, but there is still a long way to go. Nevertheless, the trends here are positive as politicians become more aware of the future benefits of tourism for the **N.W.T.**

9.5.3 Affirmative Actions Programs:

Affirmative action programs are becoming more commonplace, with many enhanced benefits. At the same time, affirmative action programs directed at tourism are placing some constraints on development and existing businesses in some zones.

9.5.4 Education:

The educational system is under pressure and future alternatives are being examined by government.

9.5.5 Social Welfare Programs:

The **N.W.T.** has a long history of resident dependence on government assistance. Major changes in societal attitudes and **behaviour** will be needed to accommodate tourism development.

9.5.6 Attitude Change:

Some changes have occurred in carefully developed communities, but, on the whole, much more orientation is needed.

9.5.7 Federal Political Impact:

The sovereignty issue will draw Federal attention to North and programs to defend Canadian sovereignty in the North may bring some economic benefits to the **N.W.T.**

9.5.8 Zone Characteristics:

Baffin:

More political support for tourism is needed. At present, politicians

and the general public require more regular **communications** and information in tourism matters. --A major information program is needed to inform the public and the politicians of the benefits of tourism. Once informed, the public and politicians would be more favorably inclined towards tourism. BTA is an arm of the **Baffin** Regional Council.

9.6 REGULATORY/LEGISLATIVE ISSUES, ETC.

9.6.1 Transportation:

Air deregulation will have a positive effect in the rest of Canada, but the same results are not assured for the **N.W.T.** Deregulation could have both negative and positive impacts on the **N.W.T.** New airlines might bring visitors closer to the **N.W.T.** and to nearby gateways, while other airlines might drop routes to and in the **N.W.T.** area. A grace period for **N.W.T.** will be needed before **full** deregulation comes into effect. Major lobbying effort is required to obtain good air and transportation services, gateways, and scheduling.

Road conditions will have an important effect **on** vehicular traffic volume and patterns.

9.6.2 Land Use/Development:

A resolution of the land claims issue and a relaxation of current restrictions on non-native and non-resident land usage could greatly improve land use in the **N.W.T.** Land use review processes need to be centralized with a single clearing house to streamline bureaucratic processes and eliminate overlapping jurisdictions. Tourism will be represented on land use planning boards.

9.6.3 Enforcement:

There are many difficulties in enforcing legislation and regulations dealing with matters such as water safety, road speed limits, improper use of firearms, vandalism.

9.6.4 Facilities Development:

Facilities development is hindered by strict regulations and the uncertainty of the land claims situation. Policies and legislation should be applied equitably with consideration to existing facilities.

9.6.5 Services:

A streamlining of regulations and responsibilities **would** eliminate confusion in licensing requirements and clarify who is in charge of certain areas of legislation, jurisdiction, and enforcement (e.g. Parks, Environment, Fisheries).

9.6.6 Education/Training:

The responsibility for education is shared by several bodies. TIA intends to position itself as a resource centre as is TravelArctic.

9.6.7 Affirmative Action Programs:

Affirmative action programs have been institutionalized in legislation.

9.6.8 Insurance:

The current unregulated state of the industry is having a disastrous impact on tourism. At present, liability insurance is not available at any price or must be consolidated through government intervention. Regulations and legislation to limit liability and levels of insurance **premiums** would have very positive results.

9.6.9 Zone Characteristics:

Baffin:

The guide **training** program is part of the Department of Education. Department of Renewable Resources is involved in licensing big game hunting.

9.7 GEOGRAPHY

9.7.1 World Position:

The **N.W.T.** is a **circumpolar** region, situated north of the 60th parallel.

9.7.2 Terrain:

The terrain of the **N.W.T.** is diverse, ranging from barren lands to scenic mountains. Glaciers, fiords, tundra and tundra vegetation, and picturesque coastal region can all be found in the **N.W.T.** The **N.W.T.** is also home to unique wildlife. Other interesting features of the **N.W.T.** are **the Precambrian Shield**, the Boreal Forest, and the Mackenzie Delta.

9.7.3 Waterways:

There are many world-class lakes and rivers in the **N.W.T.**, with the latter featuring world-class rapids and waterfalls (including the highest falls in the **N.W.T.**, Virginia Falls). The **N.W.T.** also has Canada's third ocean coast.

9.7.4 Access:

Access by road is possible to many areas in western **N.W.T.**, but only by air or water to other parts. There are problems in some areas with fog that makes travel unreliable or impossible. In the case of some areas travel is only possible by air or through the Northwest Passage. These areas are particularly prone to unreliable travel weather.

9.7.5 Climate:

Summers in the **N.W.T.** are somewhat shorter than elsewhere due to the **northerliness** of the region. Summers generally tend to be cooler than in the south, but they are comfortable and hot summer days are not uncommon. The **N.W.T.** also possesses a wide range of climatic conditions ranging from semi-arid desert conditions to polar conditions.

9.7.6 Unique Zone Characteristics:

Baffin:

The North Pole is in the **Baffin** region as is the Northwest Passage. The Northwest Passage is historically important and is suitable for cruises. Glaciers, icebergs (floating islands), and the High Arctic Archipelago can all be found in the **Baffin** region. Other exotic attractions include a bird sanctuary and the northernmost part in the world, Auyittuq National Park. Northern marine and wildlife abound throughout the region and attract worldwide attention.

9.8 COMMUNICATIONS

9.8.1 General N. W.T. Characteristics:

A) ZONE ASSOCIATION

1. **Intra-Zone with Politicians:**

Some politicians are preoccupied with **land** claims issues and tend to be unaware of tourism. All require additional tourism information and constant status reports. Much more regular communications are needed between the zones and the politicians.

2. **Intra-Zone with Tourism Industry:**

Newsletters, personal visits/presentations, and meetings are regularly scheduled throughout the year.

3. **Intra-Zone with Public:**

Media editorial, advocacy advertising, and public awareness program are conducted.

4. **Intra-Zone with Visitors:**

Communications here take place through visitor information **centres** and travel counseling **centres**. Public awareness programs are needed to improve service to visitors.

5. **Inter-Zone:**

The traditional introverted perspective is slowly changing.

6. **With TIA:**

The historically loose relations between the zone associations and the TIA are improving and the new marketing **committee** should greatly strengthen ties.

7. **With Travel Arctic:**

Consistent and regular communications with bureaucracy regardless of personnel changes. Marketing committee will greatly strengthen ties.

B) COWUNITY PUBLIC

1. **Intra-Zone with other Communities:**

Historically very little communications has taken place.

2. **Intra-Zone with Visitors:**

Communications problems due to language and cultural barriers hinder proper visitor services.

3. **Intra-Zone with Politicians:**

The politicians reflect the communities' concerns with land claims issues and therefore much more regular discussion of tourism and tourism-related issues is required.

4. **Inter-Zone:**

There is very little contact between the different zone publics.

c) VISITING PUBLIC (**BUSINESS AND TOURIST TRAVELERS**)

1. **Formal/Official Contacts:**

Principal contacts tend to be with Travel Arctic, the zone associations or TIA.

2. **Contacts with Native Populations:**

Cross-cultural language difficulties sometimes pose problems.

9.8.2 Zone Characteristics:

Baffin:

The BTA is not generally visible because of infrequent visits to communities. It is seen by many as a funding agency, but it is viewed **favourably** where it is known. Major problem is based on distance. Rely on transportation and weather. Poor educational level, cultural impact. Physical and environmental concerns high. Training needed.

9.9 PSYCHOLOGICAL/HISTORICAL TRENDS

9.9.1 Education:

There is a historical difference of appreciation of the white man's values of education, business, and job skill training in the **N.W.T.** However, these educational requirements are vital to tourism and business development.

9.9.2 Past **Behaviour:**

Over time, there has been a gradual and positive evolution of receptiveness and hospitality towards visitors. Nevertheless, there is still some concern for and negative reaction to the threat of "visitor invasion" and the disruption of **community** life posed by tourism.

9.9.3 Evolution of Attitudes and Perceptions:

Increasing receptiveness towards and acceptance of tourism in the **N.W.T.** is likely in the future.

9.9.4 Unique Zone Characteristics:

Baffin:

Training is needed in the **Baffin** as it is in the other regions.

9.10 FORECASTS : 50, 20, 10, 5 YEARS

9.10.1 Social:

The willingness to accept tourism will improve, though some resistance and resentment will remain.

9.10.2 Economic:

The health of the oil, gas, and mineral industries **will** be very important to the economy of the Northwest Territories. Changes in these sectors will be dependent on trends in world demand and the development of new technologies. New opportunities may develop in the renewable **re-**sources industry. Scientific research and mining in the Arctic may have a favorable impact and military activity could bring income to some communities, though a **change** in the locations of some military bases will have a **negative** impact on other communities). The settlement of the land claims issue will probably lead to increased economic **activ-**ity.

9.10.3 Political:

The current political climate is generally favorable to developing tourism and support for tourism is likely to increase as an alternative to ailing primary industries. The land claims uncertainty should be settled and should therefore not be an issue.

9.10.4 Regulatory/Legislative:

The settlement of land claims and the self-government issue will pave the way for more established and coherent legislation on land use and economic activity.

9.10.5 Geography:

Access to the zones is **likely** to be improved. However, at the same time, the **N.W.T.** will face stronger competition from other similar regions/destinations worldwide.

9.10.6 Competition:

The **N.W.T.** will have to cope with **increas-**ing competition for the tourist dollar as more **foreign** governments seek to expand their share of the world tourism **market.** **At** the same time, though, there will be more opportunities as the world tourism market grows. The growth in leisure time and disposable income is expected to increase in both traditional and non-traditional tourist markets.

9.10.7 Communications:

An improvement in hospitality training and awareness may increase **CO-**

operation between the zones and improve the quality of the tourist service industry.

9.10.8 Psychological /Historical Trends:

The trends in this area are favorable. An increased acceptance and awareness of tourism is expected.

9.10.9 Unique Zone Characteristics:

Baffin:

Standards for guiding and licensing are expected to be developed. Another park will be created and there is the potential for the development of the theatre and the arts, and new facilities. The **Nanisivik** mine is expected to die in 5 years. New facilities. Kekerten will be completed in 1 year and more visitors centres will be open in 10 years.

9.11 COMPETITION

9.11.1 Geographic Similarities:

Other **circumpolar** regions of the world offer similar geographic landscapes.

9.11.2 Product Similarities:

The natural resources of many regions throughout the world have a similar appeal to those of the **N.W.T.** All have a similar outdoors/adventure product to offer, featuring unspoiled natural surroundings and unique wildlife.

9.11.3 Facilities and Services:

Worldwide.

9.11.4 Access:

All developed destinations Worldwide.

9.11.5 Price:

All developed destinations Worldwide.

9.11.6 Popularity/Fashion:

Sun destinations, modern urban centres, well-developed tourism plants.

9.11.7 Competition:

Baffin:

Greenland, Northern Europe, Antarctica, and Keewatin and major competitors for the **Baffin**. They have unique attributes and the first three enjoy worldwide recognition.

9.12 MAJOR EVENTS

9.12.1 General :

The 1988 Winter **Olympics** will be held in Alberta and the **N.W.T.** might be able to capitalize on their geographic proximity to the Games **site** by heightening their **visibility** and creating image awareness.

Baffin:

Annual marathon and ultras (70 K) are major invitational attractions although there are not very expandable to accommodate great increases in tourists. Toonik Tyme is also a major annual event for local "tourism" and as a spring (shoulder season) attraction. There are no other major events expected to take place within the **Baffin** region within the medium term. However, events of major significance in gate-way centres and important geographic markets which have the highest potential to generate incremental tourism for the region should be examined. Examples include Ottawa's **Winterlude**, the Boston Marathon, southern festivals and carnivals (perhaps the **C.N. E.**)

9.13 BUSINESS CHARACTERISTICS OF THE TOURISM ZONE ASSOCIATION

9.13.1 Goals:

1. To contribute to the economy of the North.
2. To provide an alternative to government subsidy.
3. To provide opportunities for the industry to become self-sufficient and bring in "foreign dollars" from outside the **N.W.T.**

9.13.2 **Raison D' Etre:**

The zone **associations** are to provide a central focus for the advancement of the tourism industry within a specific geographic region.

9.13.3 Corporate orientation and culture:

Each Tourism Zone Association is to conduct its activities with the utmost professionalism, in a leadership style with a constant striving for excellence, and to instill the same conduct in its membership.

9.13.4 Sector Positioning:

The Northwest Territories offers the travelers an exotic wilderness adventure in a **circumpolar** destination which delivers to the visitor the adventure of a lifetime.

9.13.5 Business Activities:

The following examines the types of services and ideal business activities which the zone associations already engage in and would be ideally suited.

A) SERVICES

1. **Counseling Services:**

The **N.W.T.** Zone Associations can provide information to potential visitors by mail or person-to-person, and can also stimulate tourism awareness and education in the public as well as in business. The zone associations also assist in product development and promotion and provide other types of assistance and advice to tourism businesses, such as business conduct and practices. The zone associations can also institute hospitality awareness programs to improve the quality of services offered to visitors and to make the resident public more aware of the potential benefits tourism can bring to the area.

2. **Resources - Human:**

The zone associations act as facilitators for the tourism industry.

Workshops for the industry can be developed and conducted and guest consultants and specialists can provide expert business advice. Zone associations also provide members with such services as regular communications, the recording of meeting minutes, the mailing of bulletins, the administration of programs and budgets, as well as the provision of information on tourism regulations and amendments to ordinances.

The zone managers act as lobbyists and representatives to the Board of Directors for approval of activities, programs and budget disbursements. They zone associations have limited influence, however, because their primary function is administration.

3. Community Outreach Programs:

Tourism awareness, hospitality training, orientation, industry stimulation are an important component of the work conducted by zone associations in addition to membership services.

4. Membership Services:

The programs principally focus on services to the association membership, as well as to the community at large: regular communications, recording of meeting minutes, mailings of bulletins, providing advice on tourism regulations and amendments to ordinances, and administering programs and budgets.

5. Administration of Programs:

These include EDA, Co-operative Marketing Programs and related budgets, such as core, supplemental, and EDA budgets. Responsibility also includes administration and final accounting.

6. Financial Resources:

Financial resources procured to assist the tourism industry in product and market development are raised chiefly through stimulated funding from government.

B) IDEAL BUSINESS ACTIVITIES:

- Membership Services
- Industry Advocacy
- .Zone Tourism Administration Services
- . Community Services.
For example, tourism business assistance/advice.
- Professional Services Broker
For example, hospitality training.
- .In-bound Tour Operator
For example creating and selling tourism packages.

9.14 MARKETING PLAN FOR EDA SUBMISSION

9.14.1 Objectives:

1. To increase visitors, their length of stay and/or expenditures.
2. To increase the number of package tours.
3. To expand the tourism season to include shoulder seasons.

9.14.2 Strategy:

1. A complete marketing mix of programs will be implemented to achieve the objectives of this region. In the first year, the zone **will** rely strongly on increased public relations efforts, influential media relations, and on travel trade tools to increase the number of visitors to their region. Advertising targeted to specific market segments and promotional initiatives will also be an important part of the strategy.
2. To conduct a co-operative marketing program specifically directed to the highest potential market segments of outdoors consumptive and non-consumptive tourists as well as arts/culture/tour enthusiasts.
3. Leverage additional marketing influence through consortium projects, editorial coverage, joint initiative etc. with the travel trade, influential media, outdoors manufacturers, major art societies etc.
4. To conduct a consistent hospitality training and tourism management information program throughout the communities to increase native involvement in tourism.
5. To include measurement and evaluation processes as part of the implementation of marketing activities for future planning.

9.14.3 Current Markets of Origin:

	1983/84	1984/85
A)	74% Canada - 33% Ontario - 21% Quebec - 9% Alberta - 6% B. C.	81% Canada - 48.9% Ontario - 27.2% Quebec
B)	22% U. S. A.	14.9%
c)	4% Overseas	3.5% Overseas

Profile:

Visitors to the **Baffin** tend to be higher income people with college

or university education. They are mainly professionals, often **occupy-**ing managerial position, with household incomes of \$40,000 Cdn. or more. They are **well-travelled** visitors, and accustomed to long-haul destinations.

Activities:

Those who enjoy hiking, fishing, hunting, general touring, and boat tourism can be considered likely candidates for visiting **Baffin**. Those interested in cultural interactions, spring exercises, boat touring, are also likely visitors as are naturalists and people visiting friends and relatives.

The number one source of visitors for the **Baffin** is the business **trav-**eller at 60% (63% in 82/83). Number two is the pleasure **traveller** at 34% (37% in 82/83).

In descending order of importance, visitors to the **Baffin** tend to come from Canada (Ontario, Quebec, Alberta), the United States, (New Jersey, Pennsylvania, Ohio, Illinois, Michigan, Indiana, and Texas), and over-seas, (Germany)

9.14.4 Target Markets:

The target market segments comprise the affluent consumptive and **non-**consumptive tourists in the outdoors/adventure categories as well as the affluent arts/culture/tours categories. Geographic markets **will** reflect the current strong producers of tourists to the region as well as high potential markets (such as California, Arizona, and the Hi-
Western State).

Gateways and hub urban centres will also be targeted for market develop-
ment. Examples include Toronto, Ottawa, Montreal, N.Y., Chicago, Syra-
cuse, Baltimore and Dallas.

9.14.5 Implementation Plan:

The plan will be implemented in co-operation with the private sector, TravelArctic and TIA to ensure that all market opportunities are optim-
ized and to take advantage of any circumstance for reinforcing the
objectives of the zone. Additional funds for program implementation
will be leveraged from the private sector whenever possible (although
private sector financial resources are quite limited at this time).

Baffin Tourism Association

9.15.1 Consumer Programs:

The **Baffin** Tourism Association will advertise co-operatively with zone tour operator(s) in target market segment media by product categories. Ads will include contact addresses of operators whenever possible for faster sales conversion. Primary media used will be influential magazines for target markets in Canada and the U.S., such as Outside Magazine, Natural History. Whenever possible, additional exposure will be obtained by co-operative advertising with **TravelArctic** and other zones.

FUNDS REQUIRED: \$35,000.

The **BTA** will purchase a copy and the rights to a private production of a film which will strongly promote the **Baffin** region.

FUNDS REQUIRED: \$ 5,000.

BTA will assist in the co-operative production of a Visitor's Guide for **Iqaluit**. this brochure would be targeted to high potential market segments.

FUNDS REQUIRED: \$5,000.

BTA will provide co-operative assistance to an Outfitter for the printing of a brochure.

FUNDS REQUIRED: \$ 400.

A brochure will be created and printed co-operatively with the private sector for Tourism Outfitters, Hotel Owners, and other tourism operators in early 1987 for use at trade and consumer shows, promotion packages, enquiry services, etc., during the course of the spring and **summer** of 1987.

FUNDS REQUIRED: \$20,000.

Total Requirements for Consumer Programs: \$65,400.

9.15.2 Distribution/Network Program:

Channels for distributing products such as reservation programs, key wholesalers networks etc., as well as channels for marketing communications will be developed in concert with the other zone associations, **TIA** and **TravelArctic**. Competitive intelligence will also be gathered and analyzed for marketing opportunities on an on-going basis. **BTA** will investigate the **possibilities** of leveraging manufacturers of certain products used in the **Baffin** such as snowmobiles, fishing and hunting equipment, hiking and camping equipment, etc., for tourist promotion.

FUNDS REQUIRED: \$ 2,000.

9. 15. 3 Marketing Aids:

Two new "**Instands**" depicting different scenes of **Baffin** during different seasons will be created. These materials will be used at consumer shows in geographically important target markets in Canada and the U.S.A. TravelArctic keeps track of the **number** of responses from the public attending these shows and this data **will** provide the base for evaluating future participation.

FUNDS REQUIRED: \$10,000.

Display materials such as projector screens and cameras will be used as important marketing aids for the BTA.

FUNDS REQUIRED: \$ 2,000.

Research material will be **compiled** for **inclusion** in Promotional **brochures** and shows to expand **product** appeal to attract tourists interested in history, culture, and arts as part of their travels. Photographs of the region will be gathered, compiled, and duplicated from local sources.

FUNDS REQUIRED: \$ 2,000.

Literature describing the unique features of the zone as **well** as historical and cultural data will be gathered and compiled for easy and quick dissemination to the **enquiring** public as well as to travel trade writers and influencers.

FUNDS REQUIRED: \$ 1,000.

9. 15. 4 Travel Trade Program:

The zone association will make presentations to, provide information and assistance to prequalified travel wholesalers and agents. Influential writers, whose audiences match the target markets, would also be developed jointly. This includes providing a forum for direct contacts with tourism operators. Selected wholesale travel agents and tour operators from important target markets who have made **commitments** to increase tourism in the **Baffin** will be sponsored for familiarization trips to **Baffin**.

FUNDS REQUIRED: \$10,000.

9. 15. 5 Media Relations Program:

Prequalified travel writers will be oriented to experience the zone's tourism products to increase public and target markets' awareness of the zone's tourism opportunities. Articles describing these experiences will be published in influential media which reach the highest potential target market segments. The **BTA** will sponsor planned high potential and target media personnel to work and promote the **Baffin** zone. Participation by zone operators will be encouraged through joint programming, implementation, and funding as often as possible.

FUNDS REQUIRED: \$20,000.

The **BTA** will sponsor presentations of **Baffin** Tourism products to members of influential media reaching important target markets. These presentations will take the **form** of information packages, Trade Awareness meetings, and public response gatherings.

FUNDS REQUIRED: \$ 5,000.

9.15.6 Public Relations Program:

The **BTA** will need to print response material (e.g. letterhead, stationery, envelopes, business cards).

FUNDS REQUIRED: \$ 1,400.

Bulletins on industry awareness will be written, printed, and distributed on a **bi-monthly** basis.

FUNDS REQUIRED: \$ 2,000.

Culture, arts, and wildlife programs which will enhance tourism products and the cultural image of the **Baffin** will be co-operatively sponsored.

FUNDS REQUIRED: \$ 5,000.

The **BTA** will respond to, assist and leverage special **events** such as polar expeditions, historical discoveries, cultural conferences, and significant athletic and recreation events such as "Interlude, Toonik **Tyme**, and Rendezvous.

FUNDS REQUIRED: \$15,000.

Information packages will be compiled and distributed to travel **wholesalers** and potential tourists in important target markets.

FUNDS REQUIRED: \$ 2,000.

Total Requirements for Public Relations Program: \$25,400.

9.15.7 Industry Support

The association would carry out community information programs for hospitality/awareness in communities and **local** schools, dealing with tourism - its development and advantages (education). These programs would allow for the enhancement of present public understanding, sensitization, and knowledge of tourism. These activities would also reinforce training and skill development programs already operating through the Association. The aim of these programs is to vastly improve the perceptions, attitudes, hosting orientation and abilities of local service personnel. The following three items will make up **Baffin's** program:

The **BTA** will develop material for a "Food Serving" course.

FUNDS REQUIRED: \$ 1,200.

A public awareness program on tourism **will** be developed for delivery to all communities in the **Baffin**.

FUNDS REQUIRED: \$15,000.

Hospitality workshops will be created and delivered to **Baffin** residents to improve the service visitors receive in the **Baffin**.

Funds Required: \$10,000.

Total Requirements for Industry Support Programs: \$26,200.

9.15.8 Research and Evaluation Program:

A **complete** research and evaluation **program** will be **developed** to assess the effectiveness of the marketing initiative and the progress of marketing the tourism products of the **Baffin** Zone Association. Industry representatives will meet to outline a Research and Evaluation Strategy.

FUNDS REQUIRED: \$15,000.

9.15.9 Project Delivery:

Costs will be incurred for administration, office supplies, material reproduction, translation fees of marketing programs.

FUNDS REQUIRED: \$30,000.

Professional fees will be needed to retain a consultant **for** the planning and implementation of a marketing strategy specifically for the **Baffin** in accordance with the Marketing Strategy for the **N.W.T.** This project will, during subsequent year, reduce, or in some cases, eliminate expenses currently being spent on advertising, printing, brochures, research promotion, etc., by creating a greater degree of homogeneity in marketing, accessing data and new information, reducing transportation costs, etc. Increased visitors will enhance the dollar earned/dollar spent ratio.

FUNDS REQUIRED: \$120,000.

Total Requirements for Project Delivery: \$150,000.

9.15.10

Total Zone Funding Requirements: \$334,000.

9.16 RESOURCE NOTES

9.17.1 Human Resources:

One resource person is needed, and that person is occasionally supplemented by part-time clerical and typing help.

9.17.2 Time Resources:

Time required by period:

January - **April** : 36.5 hours weekly
May -, August : 2.4 hours
September - December : 3.35 hours

TRAVELARCTIC
MARKETING PROGRAMME
988 89

MAY 1988

DRAFT
Discussion purposes
only

TRAVELARCTIC
MARKETING PROGRAMME
1988/89

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TRAVELARCTIC
MARKETING PROGRAMME
1988/89

1. INTRODUCTION "

TravelArctic
Marketing Programme
1988/89

10 Introduction

The following draft document outlines the tourism marketing and activities **targetted** for **implementation** by **TravelArctic** strategy in 1988/89 ,

This document **is** intended for discussion purposes **only**, and a final framework for the Marketing **Programme** will be completed pending discussions **and** input from the Northwest Territories tourism industry, its representative Associations, and from **TravelArctic** regional representatives.

As some programmed **are still** under discussion, the **reader, should** note **that** some programmed could be added or/dropped **based** on future negotiations.

TRAVELARCTIC
MARKETING PROGRAMME
1988/89

2. NORTHWEST TERRITORIES TOURISM:
THE CHALLENGE AHEAD

2. Northwest Territories Tourism: The Challenge Ahead

In the **past** decade, industry around the world has shifted from focusing on continental and domestic trade to competition on a global scale.

As a result, world trading patterns and financial **flows** have also shifted, forcing many national governments to seek new ways to generate revenue. Tourism has been identified as a revenue generating industry which **can** be promoted by many countries, The result **is** that tourism has become a highly competitive industry, **which** is **no** longer simply a **local**, regional, or domestic economy activity,

In the Northwest Territories, the government is also looking for new opportunities **to** boost our economic **health** and growth in **a** time when our primary industries are in a state of fluctuation.

As a result, the government and the tourism industry are working together to stimulate tourism to the Territories, with an aim towards competing in the **global** tourism marketplace, Although not generally known world-wide, the Northwest Territories have many natural attractions and well-defined tourism products, all of which offer tremendous market potential.

Initial steps have been taken in recent years by both the government and the industry to develop tourism products in the Northwest Territories which are unique, highly marketable, and of **world-class** standards.

Favorable results **in** global marketing were achieved at Expo '86 in Vancouver, where the Northwest Territories pavilion **drew** a tremendous response from international tourists and Canadians **alike**.

As a next step, the government, **in** conjunction with the Tourism Industry Association developed a comprehensive, three-year marketing strategy.

One of the first **stages** of the strategy has involved a comprehensive tourism advertising **and** promotional **campaign** directed at an international audience and **implemented** by a professional advertising agency, specializing in tourism promotion,

The 1987/88 advertising campaign was targetted at the **United States** which **is** proven to **be** the market with the most potential growth for tourists coming to the North.

Northwest Territories **outdoors/adventure/culture/touring** activities were highlighted in two, **four-colour double-page spread**

advertisements. Sporthunting and **sportsfishing** activities were promoted in a black and white, full-page advertisement and two, **four-colour** double-page **spreads** respectively. A special outdoors/adventure/culture/touring advertisement aimed at travel **agents** and **travel** wholesalers was also produced in a full-page, **four-colour** format. All of these advertisements were tested, before implementation, with groups of potential tourists **across** the United States to ensure that they promoted the Northwest Territories in the most attractive and effective manner possible. The advertising ran from December **1987** to **March 31, 1988** in specially selected magazines **which reach** designated target groups of **U.S.** tourists who have the most potential to travel to the Northwest Territories. (see section 4 (iii)) ,

In addition to the advertising campaign, a number of co-operative advertising programmes were implemented with Canadian Airlines magazine, **the Air Canada Pass Book**, Angling Adventures and the Field and Stream Guide to Hunting and Camping.

A wide range of marketing services were also implemented to correspond with the tourism advertising **programme**, including the publication of a new Explorers' Guide, Fishing Guide, Explorers' Map, **TravelArctic** Calendar, River's North Brochure, and a variety of **TravelArctic** promotional **items** such as certificates, bumper stickers, **lapel** pins, plastic puzzles, and decals.

-- **All** marketing activities were implemented with a response tracking code to ensure that inquiries generated from **these** programmes could be effectively monitored, and as a result, an extensive computer data base developed. **As** of May 1, 1988, the **TravelArctic** marketing **programme** has elicited approximately 40,000 inquiries. These inquiries come through the 800# "Arctic Hotline" in **Yellowknife** or through individual written requests to **TravelArctic**. An extensive fulfillment **programme** was also activated whereby **information** packages on NWT tourism attractions were sent out within 48 hours of incoming requests,

The following document outlines the **TravelArctic** marketing activities in **detail** and highlights the planned strategy for the 1988/89 **programme**.

TRAVELARCTIC
MARKETING PROGRAMME
1983/89

3. MARKETING OBJECTIVES

3. MARKETING OBJECTIVES

The overall marketing objectives of the Department of Economic Development and Tourism (**TravelArctic**) are to:

- o support and assist the tourism industry in the healthy development of the sector;
- o enhance the positive image, awareness and perceptions of the Northwest Territories as an attractive tourism destination;
- o expand existing tourism markets while attracting new ones;
- o promote longer visits and higher expenditures by tourists to the Northwest Territories;
- o increase tourism in the shoulder season;
- o increase an awareness of Northern culture, arts and crafts, and foods; and,
- o promote the disbursement of tourism benefits throughout the Northwest Territories - including higher employment and involving more communities in tourism activities,

Within **this** framework, the Department will also strive to stimulate new and expanded, Northern-owned and operated, tourism product development across the Northwest Territories*

P. 11 3.

TRAVELARCTIC
MARKETING PROGRAMME
988 \$9

4. ADVERTISING :
- (i) OBJECTIVES
 - (ii) CREATIVE RATIONALE**
 - (iii) DRAFT CONSUMER MEDIA PLAN

4. ADVERTISING

(i) Objectives/Recommendations

The objectives of the 1988/89 advertising campaign for the Northwest Territories encompass **TravelArctic's** overall marketing objectives, as outlined in the previous section, and include the following recommendations:

- a) **Focus** on the United States as the primary advertising market. Research indicates it represents the market with the most potential growth in tourism to the Northwest Territories. The Canadian market will be exposed to the advertising through spill-over circulation as **well** as through complimentary **efforts** by the TIA.
- b) Continued focus on promoting outdoor/adventure/culture/touring products, **sportsfishing, sporthunting.**
- c) Based on direction from the **NWT** Executive Council, specific attention will likely be given to promoting Northern culture, arts, crafts and foods;
- d) Based on direction from the industry, the **sporthunting** program will be shifted to focus on other species than the **polar** bear. **Based** on industry input, the polar bear hunting segment of the **NWT sporthunting** industry appears to **have reached capacity;**
- e) Specific attention will also be given to promoting outdoor/adventure/culture/touring products which are offered *in* each of the seven regions of the Northwest Territories, particularly those regions who were not represented *in* the advertising produced in Year One of the **programme;**
- f) It is recommended that the total percentage of the **TravelArctic** advertising budget allotted to each product category be adjusted over last **year's** campaign in the following manner.

<u>PRODUCT</u>	<u>% BUDGET</u>	
	<u>1907/88</u>	<u>198 8/8 9</u>
Outdoor/Adventure Culture/Touring	57%	64%
Sportsfishing	- 32%	25%
Sporthunting	11%	11%

4(ii)--Creative Rationale

A creative rationale was developed for the 1987/88 **TravelArctic** advertising campaign which will likely be followed in Year Two of the programme. The main elements of the design and theme of the advertisements are as **follows:** `

DESIGN STYLE

- (a) Large scale photographs of magnificent, sunny scenery;
- (b) Depict tourism activities taking place within the large **photos;**
- (c) Include **small** inset pictures to supplement the main photo;
- (d) All advertisements will be in double-page **spread** format with the exception of the **Sportfishing** and Travel Trade programme, which will likely feature full-page advertisements. It is **recommended** that **all** advertisements be produced in four **colours**. The double-page spread **four-colour** advertising format is particularly recommended for the Northwest Territories tourism promotion in order to effectively present the grand scenery of the North and compete with other major tourism advertisers in the U.S. marketplace. This is particularly important given that the Northwest Territories **is still** relatively new to the tourism advertising arena.

THEMATIC APPROACH

- (a) Emphasize the unique aspects of vacationing **in** the Northwest Territories: **exotic, adventuresome, romantic, cultural, exclusive,** and beautiful.
- (b) Emphasize Northern culture, arts, crafts, and foods.
- (c) Outline the highly personalized services of the **North, the** costs of various tours and the accessibility of the **North to** visitors (jets, etc. . .).

Both the design and themes of the advertisements have been recommended **to** best address American perceptions, or misconceptions? about the Northwest Territories. These include the fact that most Americans perceive the Northwest Territories to be a consistently cold climate, and that transportation services to the Territories are very limited, **if** available at all. Extensive research has also **shown that** many Americans believe a Northern holiday to be extremely expensive. Testing of **TravelArctic** advertisements from Year **One** indicated that large photos of warm, sunny scenery, even of a **spring or winter** snow scene, helped **to dispell** the perception that the North is extremely cold in temperature. Information concerning jet routes to the North and Southern connecting **points** included in the **text of the** advertisements dispelled American concerns regarding the accessibility of the North. In addition, the inclusion of **tour costs to** the North

in the text of the advertisement dispelled *American* concerns about the affordability of a Northern holiday. Conversely, by including **prices, the** ads discouraged frivolous callers and developed high-quality **leads** for servicing.

All of these factors, combined with the strategic targeting of the advertisements, have contributed to positioning the Northwest Territories as "within reach, yet beyond **belief**", in the United States market.

Year Two of the **programme will** begin once input from the industry and regions has been received and a final plan completed.

The first step **in** the development of the campaign will be a photo shoot this summer across the Northwest Territories. Once a selection of advertising photos has been produced, a series of **trial** advertisements will be designed and written for testing with potential tourists in the United States.

Once testing results have been generated, final advertisements **will** be produced **and placed** in targetted publications as per an 'approved media **plan**. The campaign is scheduled to begin running in **late fall** of **1988**.

ADVERTISING
MEDIA OBJECTIVES

TARGET AUDIENCE

To direct advertising to the target group(s) defined as:

(a) Outdoors/Adventure/Culture/Touring

Primary
Adults 25-54 years (Male 70%, Women 30%) ,

Secondary
Adults 55+ (Mature Market)

HHI - \$30M+
High School Graduates +

(b) Sportsfishing

Male 35-54 years
HHI \$40M+
High School Graduate +

(c) Spoorthunting

Male 35-54
HHI \$50M+
Some College +

GEOGRAPHIC PRIORITIES ,

To concentrate advertising in the United States.

TIMING/DURATION

To advertise at the most opportune time to reach the target audiences either prior to or during peak vacation planning periods.

WEIGHT LEVELS

To reach a maximum 70% of the target audience, with concentrated efforts on frequency of message.

MEDIA SELECTION

To utilize media vehicles which:

- (a) reach the target audience
- (b) are response-oriented
- (c) compatible with the creative message

ADVERTISING
MEDIA STRATEGY

ROLE OF ADVERTISING

In adhering to the Government of the Northwest Territories Mandate to facilitate and promote the healthy development and prosperity of the tourism industry, the **role** of advertising is to communicate effectively, TravelArctic's message. To achieve the objective the advertising must continue to:

- * generate and maintain awareness
- * generate a positive image
- * help to increase visitations
- * help to increase travel receipts during visitations
- * support private sector advertising initiatives

TARGET GROUP DEFINITION

The Outdoors/ Adventure/Category encompasses three distinct target groups:

(a) OUTDOORS/ADVENTURE/CULTURE/TOURING

As a result of industry input, the target audience for Outdoors/Adventure/Culture/Touring has been redefined as follows:

Primary
Adults 25-54

Secondary
Adults 55+ (Mature Market

HHI \$30M+
High School Graduates +

who are **lovers** of nature and the outdoor environment?
looking for unique destinations and experiences.

(b) SPORTSFISHING

Males 35-54 years HHI \$40 M+, high school **gratuates**, who are avid sport **sfishing** enthusiasts fish often as a **lifestyle** and are constantly looking for unique destinations and experiences.

ADVERTISING
MEDIA STRATEGY (Cont'd)

(C) SPORTHUNTING

Males 35-54, **HHI** \$50 M + with some **college** or better: who hunt often as a lifestyle and are constantly looking" for unique environments and challenges.

The above demographics with the exception of **Sporthunting** adhere to the target audiences defined in the Strategic Marketing Plan for Tourism for the Government of the Northwest Territories, **1986** and industry input.

The **Sporthunting** demographics have been determined from a **study** conducted by Beta Research for **Field** and Stream's Trophy Edition.

GEOGRAPHIC COVERAGE

In Year 11, advertising **will** be concentrated in the United States with emphasis on geographic *regions* of greatest potential. These **regions** are Mid-Atlantic, **E.N.** Central, **W.N.** Central, Pacific and New England (Source U.S. Pleasure **Travel** Study 1985 and Briar International 1986.) **Initial** feedback from the Regional Offices and the NWT Marketing Council lent support to a U.S. focus for the advertising, It was recognized that current funding for advertising can only effectively reach the U.S. market and that additional funding may be required for **impact** in the domestic market. The **TIA** and zones however, will be addressing the Canadian market in their advertising initiatives,

TIMING/DURATION

It is recommended that the advertising campaign be scheduled from November 1988 - March 31st **1989**. Trips of a long **haul** nature are planned 3-6 months **in** advance.

WEIGHT LEVELS

To achieve TravelArcticfa goals; Camp again recommends that frequency of message not be sacrificed for extensive **reach**. Therefore a maximum reach of 70% of the target group has been determined in the media objectives, A minimum frequency of 3 exposures **is** recommended,

ADVERTISING
MEDIA STRATEGY (Cont'd)

MEDIA SELECTION

Adhering to the Government of the Northwest Territories' **mandate** to achieve the advertising objectives, the media selected **will** be required to meet a list of criteria. These criteria are:

- * good target group coverage
- * cost efficiency and effectiveness
- * compatible with creative message
- * to have geographic flexibility
- * to have the ability to create a credible environment
- * ability to generate high quality **responses**

ADVERTISING
MEDIA RECOMMENDATION

An overview of the recommendation follows:

MARKET - United States - emphasis on geographic regions of Mid Atlantic. **E.N.** Central, **W.N.** Central, Pacific and New England.

MEDIA - Outdoors/Adventure/Culture/Touring

Magazines - Travel & Leisure, Travel Holiday, Sunset, Smithsonian, Outside, Government, Audubon **World**, **Sobeks**, Expeditions, Sierra.

Sportsfishing

Television - Al **Lindner's** Fishing Specials
Jerry McKinnis Fishing Specials

Magazines - In Fisherman, Angling Adventures, Fly Fisherman, , Natural History

Sporthunting

Magazines - **Field & Stream**, Field & Stream Trophy/Edition, Safari, **Peletsen's** Hunting, Shooting Sports Retailer, **American Hunter**

UNIT SIZE

Television - 30 seconds

Magazines

Sportsfishing - 8 pge. Insert
DPS 4/C BL

Outdoors/Adventure/Culture/Touring
DPS 4/C BL

Sporthunting DPS (1 Pge 4/C BL, 1 pge B/W)
1 Full Page 4/C BL

CAMPAIGN DATES

November 1/88-March 31/89

EST. GROSS PERSONS IMPRESSIONS

Outdoors/Adventure/Culture/Touring	36,069,876.00
Sportsfishing	130,856,000.00
Sporthunting	10,156,000.00
TOTAL:	~1,8"1 6. 0(J

CAMP

ASSOCIATES ADVERTISING LIMITED

TRAVELARCTIC
FY 1988/89 PROPOSED ADVERTISING SCHEDULE
OUTDOORS/ADVENTURE/CULTURE/TOURING - DRAFT 1

CLIENT:

1988	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
	4 11 18 25 2	9 16 23 30 6	13 20 27 4	11 18 25 1	8 15 22 29 5	12 19 26 3	10 17 24 31 7	14 21 28 5	12 19 26 5	16 23 30 6	13 20 27 6	13 20 27 6 13 20 27
MEDIA SCHEDULE W/O: (Monday Start)												
MAGAZINES DPS 4/C BL												
Travel & Leisure C.D. 20 of 2nd mon pnc												
Travel Holiday C.D. 1st of 2nd mon pnc												
Smithsonian C.D. 15th of 2nd mon pnc												
Sunset C.D. 1st of 2nd mon pnc												
Courmet C.D. 1st of 2nd mon pnc												
Outsize C.D. 21st of 2nd mon pnc												
Sobrek Expeditions C.D. July 15/88												
Audubon World C.D. 1st of 2nd mon pnc												
Sierra C.D. 1st of 2nd mon pnc												

CAMP

ASSOCIATES ADVERTISING LIMITED

TRAVELARCTIC
 FY 88/89 PROPOSED ADVERTISING SCHEDULE
 SPORTHUNTING - DRAFT 1

CLIENT

1988		MAY			JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			JANUARY			FEBRUARY			MARCH			
APRIL	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	5	12	19	26	2	9	16	23	30	6	13	20	27	4	11	18	25
<p>MEDIA SCHEDULE W/O: (Monday Start) <u>MAGAZINES</u></p> <p>Field & Stream Mid-Atl., Mid West, Far West.) FP 4/C BL C.D. Oct. 1/88</p> <p>Field & Stream Trophy Edition FP 4/C BL C.C. Nov. 1/88</p> <p>Safari DPS (1Pg. 4/C BL, 1 Pg. B/W) C.D. 1st of 2nd MON PREC.</p> <p>Shooting Sports Retailer DPS (1 Pg. 4/C BL, 1 Pg. B/W) C.D. 1st of 2nd MON PREC.</p> <p>American Hunter F Pg. 4/C BL C.D. 21st Oct. 88</p> <p>Petersens Hunting FP 4/C BL</p>																																			

CAMP ASSOCIATES ADVERTISING LIMITED

TRAVELARCTIC
 FY 1988/89 PROPOSED ADVERTISING SCHEDULES
 TRAVELARCTIC - DRAFT 1

1988		MAY		JUNE		JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH										
APRIL		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
<p>MEDIA SCHEDULE #/O: (Monday Start)</p> <p>TELEVISION - 30 SEC.</p> <p>J. LINDNER SPECIALS</p> <p>Lashville Network (aft) " " (eve) Superstation WGN (morn) BM Cable (evening) 0 Prime TV Markets .D. Sept. 15/88</p> <p>ERRY MCINNIS SPECIALS schedules to be confirmed .D. Sept. 15/88</p> <p>MAGAZINES</p> <p>Washburn Pgs. 4/C Insert .D. Sept. 15/88</p> <p>Angling Adventures PS 4/C BL .D. July 20/88</p> <p>By Fisherman PS 4/C BL .D. Nov. 4/88</p> <p>Natural History PS 4/C BL .D. 15th of 2nd CN PREC.</p>																																

ADVERTISING
MEDIA RATIONALE

The government of the Northwest Territories' Mandate includes facilitating and promoting the healthy development and prosperity of **the** tourism industry, The Government is required to address **all** Marketing objectives established by NWT Regions, zones and the tourism industry in general, The combination of publications selected for each product category address these objectives. In keeping with the **mandate**, the following media are recommended to create optimum **levels** of awareness, image and positive attitudes/perceptions.

1) OUTDOORS/ADVENTURE/CULTURE/TOURING

- (a) The target group for Outdoors /Adventure/Culture/Touring are heavy magazine readers according to SMRB 1986 (See Exhibit I) . In addition, **those** people who have the potential to travel to Canada are also heavy magazine readers. Therefore magazines are recommended as the key vehicles to reach **this** audiences.

Magazines with very defined audiences **allow TravelArctic** to reach their desired target with little or no wastage.

Travel Magazines in particular, have a favorable editorial environment and according to the U.S. **Pleasure** Travel Study 1985 are important sources of information when planning **for** vacation travel. (See Exhibit 11)

The magazine buying strategy for **FY** 1988/1989 is to purchase publications which concentrate on travel editorial as well as those with good reach of the three target audiences. Absolute cost-per-insertion in concert with cost-per-thousand **has also** been a factor as a certain amount of frequency per publication is desirable.

Also taken into consideration were the following; **travel to** Canada male/female ratio, circulation distribution (see Exhibits 111 - **IV**) , rate flexibility, previous performance and Canadian editorial.

The following three publications have a high readership in the travel category and are frequently referred to when planning for vacations.

ADVERTISING
MEDIA RATIONALE (Cont'd)

TRAVEL HOLIDAY, This publication offers a complete package of travel information to the frequent pleasure traveller who is looking for **off-season**, off-the-beaten-path tour **destinations**. The package comes complete with information on "howto" and provides prices when appropriate.

Travel Holiday's primary audience is the Mature Market with 56% of the readers being in the 55 years+ age group. ,

TRAVEL & LEISURE. 'Travel & Leisure has been selected for its travel editorial environment, together with its strong record of producing consumer motivation to travel, Travel & Leisure is the travel magazine of The American Express Corporation and is distributed to cardmembers around the world, thus providing excellent credibility to the tourism product.

To launch the 1988/1989 advertising campaign TravelArctic participated in the American Express/Travel and Leisure special Canada supplement. This supplement was personally addressed to 100,000 Americans Express Gold Card members. TravelArctic's advertisement was positioned as the inside backcover preceded by editorial on the Northwest Territories. The mailings to the Gold Card members was in addition to Travel & Leisure's total circulation of 1,120,167,

Travel & Leisure's readers are upscale, sophisticated and inveterate travelers and the publication is very influential when they are planning vacations to exotic destinations.

SUNSET, Sunset has been recommended for its strong coverage of the Western United States. Travel studies have proven that westerners have a great propensity to travel. They have the spirit of adventure and are always looking to experience a different cultural environment from that by which they are surrounded, Sunset is the travel authority for the Pacific Western United States and provides detailed information on destinations and how to get there,

In addressing the Arts and Culture product category, Gourmet and Smithsonian are recommended to reach this audience for the following reasons:

GOURMET is the ultimate in the travel oriented magazine category. It is the magazine of good living encompassing world travel, and features the cultural, historical, and art aspects of destinations visited, thus providing the reader with the total experience of a travel holiday, This publication is particularly recommended to carry Northwest Territories' messages promoting culture, arts, crafts and country foods.

carry
1989

ADVERTISING
MEDIA RATIONALE (Cent 'd)

SMITHSONIAN is a general interest cultural magazine. It keeps the reader informed *on* topics ranging from the Arts, Culture, **History**, Science and Ecology as they apply the **world** over, **This** publication is **also** particularly **suited** to the culture, **arts** and crafts products of the **Northwest** Territories.

Smithsonian's readers *are well* educated and have the **curiosity** and **desire** to travel to new and different travel **destinations**.

- (c) The following three publications specifically **address** targetted segments of the Outdoor/Adventure product category: Audubon, Sierra and Outside.

AUDUBON and SIERRA are **showcases** for wildlife and environmental editorial. The readers of these publications **are** active in community affairs, **members** of **conservations clubs** and have a great propensity to travel, They are interested in all aspects of the **outdoors/adventure** as it **applies** to the environment, bird watching, **whale** watching and have a keen interest in the **flora** and fauna of their surroundings when on a **vacation** holiday.

OUTSIDE is a contemporary lifestyle magazine that covers **fitness** of travel in the **outdoors** for **today's** active adults. Outside **covers** in depth, foreign travel **destinations** and **activities**, photography and **wildlife** and **appeals** to those **travellers** less interested in the overcrowded **resort** type of , vacation,

- (d) SOBEK EXPEDITIONS. **Sobek** Expeditions **has** been specifically **selected** to reach the travelers who **travel** to exotic **destinations** on their vacations. **This** publication is a **catalogue** of tours to exotic destinations, providing all pertinent information,

- (e) **All** publications have been selected for their ability to generate high quality **responses** and for the merchandising services provided to enhance an **advertiser's** campaign.

Recommended magazines all have a **cross** over value to the product categories. A publication may have strength in one or **two** product categories but all are encased in a **travel** editorial environment.

It is also pointed out that **while** emphasis is on the target **audience** 25-54 years , approximately **40%** of Gourmet and Sunset **readers** are in the mature market category of **55 years+**.

Page 30

ADVERTISING
MEDIA RATIO NALE (Cont ' d)

2) **SPORTSFISHING**

A **media** mix of national television and magazines are recommended **as** the most effective vehicles to reach the target audience.

(a) **TELEVISION**

It **is** recommended that the two **highest** rated U.S. fishing programmes be renewed for **FY 1988/1989** to communicate **TravelArctic's message** to the specialized **target** audience. The programmes are:

- (i) Al Lindner's Fishing Specials
- (ii) Jerry McKinnis Fishing Hole

These programmes open many avenues of promotional opportunities for both **TravelArctic and partners** to receive tremendous exposure. The programme will be carried on over **125** non cable stations and on **all** cable TV networks **in** the United States.

(b) **MAGAZINES**

To provide an added impact **against** the target audience **an** eight page four **colour insert** is planned for In-Fisherman. **This year it is proposed**, that operators be listed on the **inside backcover** or outside **backcover** of the insert,

Impact against the target audience will be further maximized through the use of Double Page Four **Colour Bleed Spreads** in **Angling Adventures, Fly Fisherman** and **Natural History**.

The publications **have again** been selected for their ability to draw quality **leads** from response driven advertising.

The recommended magazines have been selected for their unique **ability** to reach the Trophy Fisherman **with little or no waste** circulation, **in** addition to motivating **the** consumer to action.

ADVERTISING
MEDIA RATIONALE (Cent'd)

3) SPORTHUNTING

A combination of Full Page Four **Colour** Bleed advertisements and Double **Page** Spreads (1P 4/C BL + 1P BL) **is** recommended to address this target audience.

Magazines selected for the double page spread are Safari and Shooting Sports Retailer. It **is** proposed that the **Full** Page B/W be used to list **the** operator's name and location. Shooting Sports Retailer will be scheduled prior to and during the Shot Show in January 1989. Magazines selected for the **Full Page Four Colour** Bleed are Field & Stream. Field & Stream's Trophy Edition, Petersen's Hunting and American Hunter.

These publications have been selected to appeal to the Trophy Hunter. Editorial **is** directed to the "how to", equipment required, and destinations. Recommended publications have been selected on the **basis** of their past performance **in generating high** quality responses,

All magazines have been selected for their ability to draw high quality responses from action driven advertising. The audiences **of these** publications are achievers, active in **community** affairs and have a great propensity to travel. (Source SMRB 1986, Subscriber Studies) .

As **in FY** 1987/1988, all magazine advertising **will be** coded to determine origination *for* tracking purposes and analysis.

Advertising in Canada during **FY** 1988/1989 will be provided by the zones. TravelArctic's advertising support will be confined to the United States. This **is** in accordance with industry input.

Canada will, however, receive coverage **through spillover** exposure from U.S. magazines **and** television.

EXHIBITS

EXHIBIT I

**INDICES OF PRINT EXPOSURE BY
SELECTED DEMOGRAPHIC GROUPS**

ALL ADULTS

	<u>MAGAZINES</u>	<u>NEWSPAPERS</u>
SEX		
Male	100	100
Female	93 105	103 97
AGE		
~ - 24		
25-34	156	59
35-44	125	77
45-54	102	98
55-64	75	119
65+	66 50	131 138
EDUCATION		
College Grad		
Attended College	89	108
High School Grad	115	93
Attended High School	104 91	103 88
OCCUPATION		
Professional/Managerial		
Clerical/Sales/Technical	93	107
Crafts/Formen	110	99
Other	106	92
Unemployed	115 90	86 106

SOURCE: 1986 SMRB

* READ AS FOLLOWS: ATTENDED COLLEGE - MAGAZINE READERSHIP IS 15% HIGHER THAN THE NATIONAL AVERAGE IN THE GROUP WHO HAVE ATTENDED COLLEGE.

EXHIBIT I (CONT ' D)

PRINT USAGE - TRAVELLERS TO CANADA

	<u>TOTAL</u> <u>U.S.</u> <u>(000)</u>	<u>TRAVELLED TO CANADA IN</u> <u>THE LAST 3 YEARS</u>			
		<u>(000)</u>	<u>V</u>	<u>H</u>	<u>INDEX</u>
TOTAL ADULTS	169,460	6,731	100.0	4.0	100
<u>Magazines</u>					
Quintile 1	31,709	1,644	24.4	5.2	131
Quintile 2	36,823	1,599	23.8	4.3	109
Quintile 3	29,136	1,235	18.0	4.2	107
Quintile 4	35,659	1,400	20.8	3.9	99
Quintile 5	36,133	883	12.7	2.4	59
<u>Newspapers</u>					
Quintile 1	32,367	1,745	25.9	5.4	136
Quintile 2	48,475	1,918	28.5	4.2	106
Quintile 3	24,126	859	12.8	3.6	90
Quintile 4	35,013	1,410	20.9	4.0	101
Quintile 5	32,400	799	11.9	2.5	62
<u>Daily Newspapers</u>					
Read Any	108,812	4,725	70.2	4.3	109
Read One	84,631	3,413	50.7	4.0	102
Read Two+	24,161	1,311	19.5	5.4	137
<u>Weekend/Sunday Newspapers</u>					
Read Any	110,235	4,916	73.0	4.5	112
Read One	96,020	4,141	61.6	4.3	109
Read Two+	14,235	769	11.4	5.4	136

SOURCE : 1986 SMRB-TRAVEL

READ AS FOLLOWS ; V% IS THE MAGAZINE READER AS A PERCENT OF THE TOTAL ADULT POPULATION WHO TRAVELLED TO CANADA IN PAST THREE YEARS.

H% IS THE MAGAZINE READER AS A PERCENT OF THE TOTAL U.S. ADULT POPULATION.

EXHIBIT II

INFORMATION SOURCES USED WHEN PLANNING TRIP

	TOTAL	CLOSE-TO-HOME	TOURING	CITY TRIP	OUTDOOR	RESORT	CRUISE	THERE	OTHER
TOTAL	1142	286	180	175	195	213	23	71	0
Recommendation of Acquaintances/Friends/Relatives	576	138	92	85	110	99	13	39	0
	50.4	48.2	51.3	48.5	56.6	46.4	56.7	54.5	0.0
Newspapers	94	27	14	25	4	9	3	11	0
	8.2	9.4	7.9	14.3	1.9	4.4	13.8	15.7	0.0
General Magazines	41	10	6	5	5	6	3	4	0
	3.6	3.6	3.6	3.0	2.7	2.8	14.8	6.0	0.0
Travel Magazines	78	10	23	9	7	19	1	8	0
	6.8	3.6	13.0	5.2	3.8	9.0	4.0	10.7	0.0
Books	36	6	11	5	5	5	1	3	0
	3.2	2.1	6.3	2.6	2.6	2.2	4.2	4.9	0.0
T.V.	61	16	12	10	5	4	4	9	0
	5.4	5.8	6.9	6.0	2.6	1.8	15.8	13.4	0.0
Radio	40	13	4	9	3	1	2	8	0
	3.5	4.5	2.3	5.2	1.5	0.5	6.9	11.2	0.0
Documentary	6	0	5	0	0	1	1	0	0
Travel Films	0.5	0.0	2.6	0.0	0.0	0.3	4.0	0.0	0.0

SOURCE: U.S. PLEASURE TRAVEL STUDY 1985 (LONGWOODS)

*HEAD AS FOLLOWS: 51.3% OF THE TOTAL TOURING (180) USE THE RECOMMENDATION OF ACQUAINTANCES, FRIENDS AND RELATIVES AS THEIR SOURCE WHEN PLANNING A TRIP. (CONTINUED)

EXHIBIT II - Cont'd

INFORMATION SOURCES USED WHEN PLANNING TRIP (CONT'D)

	TOTAL	CLOSE-TO-HOME	TOURING	CITY TRIP	OUTDOOR	RESORT	CRUISE	THEME	OTHER
<u>TOTAL</u>	1142	286	180	175	195	213	23	71	0
Travel Agency	144 12.6	5 1.7	54 30.1	21 11.9	2 1.0	44 20.8	7 30.3	11 15.2	0 0.0
Tourist Office	50 4.3	8 2.7	17 9.4	4 2.1	9 4.7	9 4.1	2 10.2	1 1.6	0 0.0
Airline or Other Commercial Carrier	44 3.9	3 1.0	13 7.3	10 5.8	3 1.3	13 6.3	0 0.0	2 3.4	0 0.0
None of the Above	272 23.8	90 31.3	23 13.0	46 26.2	51 26.0	47 22.0	3 11.1	13 18.5	0 0.0
Other	161 14.1	34 11.8	31 17.3	23 13.5	25 12.8	37 17.4	2 10.4	10 13.5	0 0.0
No Answer	12 1.1	3 1.2	1 0.5	1 0.5	5 2.5	1 0.4	0 0.0	1 2.0	0 0.0

SOURCE: U.S. PLEASURE TRAVEL STUDY 1985 (FOODS)

EXHIBIT 111**CIRCULATION ANALYSIS****ouTDooRs /ADvENTURE/CULTURE/TOURING**

<u>TERRITORIAL DISTRIBUTION</u>	<u>TRAVEL & LEISURE</u>	<u>TRAVEL HOLIDAY</u>	<u>SMITHSONIAN</u>	<u>SUNSET</u>	<u>OUTSIDE</u>
New England	73,663	42,582	177,071	4,503	15,167
Mid Atlantic	210,846	127,279	402,119	7,228	30,019
E.N. Central	129,955	146,018	341,299	12,286	37,249
W.N. Central	47,032	59,965	138,336	7,328	18,649
S. Atlantic	178,048	154,987	490,606	8,074	31,917
E.S. Central	40,566	36,810	77,278	1,307	8,500
W.S. Central	132,289	65,493	187,523	7,009	19,668
Mountain State	50,202	46,269	138,908	294,016	37,142
Pacific State	182,259	125,829	461,623	1,171,089	50,559
<u>CANADA</u>	<u>47,649</u>	<u>13,766</u>	<u>7,513</u>	<u>2,406</u>	<u>9,632</u>
Newfoundland	569	N/A	N/A	N/A	58
Nova Scotia	1,214	N/A	N/A	N/A	229
Prince Edward Is.	150	N/A	N/A	N/A	15
New Brunswick	914	N/A	N/A	N/A	233
Quebec	2,891	N/A	N/A	N/A	857
Ontario	21,272	N/A	N/A	N/A	2,052
Manitoba	1,997	N/A	N/A	N/A	696
Saskatchewan	1,763	N/A	N/A	N/A	515
Alberta	8,689	N/A	N/A	N/A	2,159
British Columbia	7,282	N/A	N/A	N/A	1,999
Northwest Terr.	247	N/A	N/A	N/A	29
Yukon	108	N/A	N/A	N/A	11
FOREIGN	5,531		13,746	2,966	2,270
OTHER	3,034		6,126	995	1,407
TOTAL CIRC.	1,119,074	805,232	2,433,687	1,429,929	262,391

EXHIBIT 'III (Cent'd)

CIRCULATION ANALYSIS

OUTDOORS/ADVENTURE/CULTURE/TOURING

<u>TERRITORIAL DISTRIBUTION</u>	<u>GOURMET</u>	<u>SIERRA</u>	<u>SOBREX " EXPEDITIONS</u>	<u>AUDUBON</u>
New England	75,377	17,989	N/A	37,302
Mid Atlantic	149,594	41,185	N/A	70,627
E.N. Central	89,599	34,704	N/A	74,363
W.N. Central	30,769	14,475	N/A	30,958
S. Atlantic	113,359	36,729	N/A	68,284
E.S. Central	17,639	6,117	N/A	14,013
W.S. Central	43,984	15,095	N/A	25,552
Mountain State	33,576	18,633	N/A	25,536
Pacific State	155,402	135,700	N/A	78,987
<u>CANADA</u>	<u>43,205</u>	<u>2,023</u>	<u>N/A</u>	<u>1,478</u>
Newfoundland	N/A	N/A	N/A	N/A
Nova Scotia	N/A	N/A	N/A	N/A
Prince Edward Is.	N/A	N/A	N/A	N/A
New Brunswick	N/A	N/A	N/A	N/A
Quebec	N/A	N/A	N/A	N/A
Ontario	N/A	N/A	N/A	N/A
Manitoba	N/A	N/A	N/A	N/A
Saskatchewan	N/A	N/A	N/A	N/A
Alberta	N/A	N/A	N/A	N/A
British Columbia	N/A	N/A	N/A	N/A
Northwest Terr.	N/A	N/A	N/A	N/A
Yukon	N/A	N/A	N/A	N/A
FOREIGN	15,163	647		1,478
OTHER	3,029	.		1,384
				418
TOTAL CIRC.	<u>772,042</u>	<u>323,384</u>	<u>160,000</u>	<u>429,157</u>

TRAVELARCTIC
 FY 1988/1989 OUTDOORS/ADVENTURE/CULTURE/TOURING
 MEDIA PLAN

EXHIBIT IV (Cont'd)

CIRCULATION ANALYSIS

SPORTHUNTING

<u>TERRITORIAL DISTRIBUTION</u>	<u>SHOOTING SPORTS * RETAILER</u>	<u>FIELD & STREAM TROPHY EDITION</u>	<u>PETERSON'S HUNTING</u>	<u>*SAFARI</u>	<u>*AMERICAN HUNTER</u>	<u>N. AMERICAN HUNTER</u>
NEW ENGLAND	871			442		
Maine			1,847		9,174	700
New Hampshire			1,602		8,398	792
Vermont			1,559		6,318	607
Massachusetts		N/A	4,231		21,027	1,692
Rhode Island			624		2,313	304
Connecticut			2,791		14,698	1,047
MID ATLANTIC				1,571		
New York	2,215		17,375		83,273	7,287
New Jersey			6,688		34,563	2,416
Pennsylvania			20,680		106,802	6,902
E.N. CENTRAL				2,065		
Ohio	3,030		11,886		54,093	4,243
Indiana			6,525		27,442	2,257
Illinois			8,350		45,954	2,669
Michigan			12,709		54,801	4,909
Wisconsin			11,320		48,787	3,382
W.N. CENTRAL				892		
Minnesota	1,840		0,101		41,958	1,706
Iowa			4,378		14,971	1,052
Missouri			7,961		35,267	1,718
N. Dakota			2,661		8,444	914
S. Dakota			2,513		8,168	825
Nebraska			3,287		11,123	973
Kansas			4,215		16,057	1,304

TRAVELARCTIC
 FY 1988/1989 OUTDOORS/ADVENTURE/CULTURE/TOURING
 MEDIA PLAN

EXHIBIT IV (Cont'd)

CIRCULATION ANALYSIS

SPORTHUNTING

<u>TERRITORIAL DISTRIBUTION</u>	<u>SHOOTING SPORTS * RETAILER</u>	<u>FIELD & STREAM TROPHY EDITION</u>	<u>PETERSON'S HUNTING</u>	<u>*SAFARI</u>	<u>*AMERICAN HUNTER</u>	<u>N. AMERICAN HUNTER</u>
SOUTH ATLANTIC				1,442		
Delaware	2,893	917	3,069		296	
Maryland		5,810	22,163		2,119	
D. C.		480	485		67	
Virginia		9,522	36,439		2,651	
W. Virginia		4,639	25,928		1,568	
N. Carolina		8,006	27,942		914	
S. Carolina		2,785	12,737		825	
Georgia		7,043	29,237		1,250	
Florida		8,991	39,844		2,379	
E.S. CENTRAL				424		
Kentucky	1,214	5,213	19,761		1,213	
Tennessee		5,832	23,514		1,034	
Alabama		4,921	20,718		766	
Mississippi		3,512	19,494		856	
W.S. CENTRAL				1,734		
Arkansas	2,368	3,581	18,169		804	
Louisiana		5,719	28,471		1,504	
Oklahoma		5,370	19,157		1,414	
Texas		22,089	83,475		5,556	
MOUNTAIN				1,855		
Montana	1,073	3,726	12,898		940	
Idaho		3,108	12,474		786	
Wyoming		2,459	9,574		1,039	
Colorado		6,508	23,061		1,798	
New Mexico		2,813	10,096		893	
Arizona		4,788	17,805		1,765	
Utah		3,776	8,448		824	
Nevada		1,856	8,030		853	

TRAVEL BUDGET
 FY 1988/1989 OUTDOOR ADVENTURE/CULTURE/TOURING
 MEDIA PLAN

EXHIBIT IV (Cont'd)

CIRCULATION ANALYSIS

SPORTHUNTING

TERRITORIAL DISTRIBUTION	SHOOTING SPORTS * RETAILER	FIELD & STREAM TROPHY EDITION	PETERSON'S HUNTING	*SAFARI	*AMERICAN HUNTER	N. AMERICAN HUNTER
PACIFIC	1,645			2,288		
Alaska			2,381		8,383	1,104
Washington			7,902		29,686	2,220
Oregon			5,793		24,750	1,281
California			23,171		91,955	7,684
Hawaii			1,008		1,705	241
CANADA			9,704	480	452	62
TOTAL:	<u>18,076</u>	<u>50,000</u>	<u>327,572</u>	<u>14,383</u>	<u>1,343,745</u>	<u>96,669</u>

* State Breakdown of circulation not available.

EXHIBIT IV
CIRCULATION ANALYSIS
SPORTHUNTING

TERRITORIAL DISTRIBUTION

FIELD & STREAM REGIONAL EDITION

MID WEST

Illinois	75,734
Indiana	53,709
Iowa	36,683
Missouri	32,185
Michigan	87,849
Minnesota	57,795
North Dakota	11,703
Ohio	82,407
South Dakota	12,273
Wisconsin	61,909

FAR- WEST

Alaska	8,356
California	149,104
Oregon	33,170
Washington	40,126

CANADA

Manitoba	2,100
Ontario	13,800
Saskatchewan	2,169
Northwest Territories	89
Alberta	5,718
British Columbia	4,182
Yukon	43

TOTAL CIRCULATION

771,174

TRAVELARCTIC
MARKETING PROGRAMME
1988 /89

5* CO-OPERATIVE PROGRAMMED

5. Co-operative Programmes

TravelArctic traditionally participates in a number of co-operative tourism programmes. These programmes not only extend the reach of the **TravelArctic** message in the tourism marketplace) but do so in a cost-efficient manner with costs divided between participating co-op partners.

Co-operative projects under consideration for 1988/89 include the following:

(a) Canadian Magazine (Canadian Airlines)

In 1988, Canadian magazine published a 32-page insert focussing on the Northwest Territories and outlining the tourism activities available in each NWT travel zone. The Canadian insert also featured a full-page, four-colour **TravelArctic** advertisement aimed at airline passengers.

A similar co-operative promotion in Canadian is recommended for Year Two of the programme. Canadian addresses markets in five continents and countries: North America, South America, Southern Europe, Amsterdam, and the Pacific Rim. The circulation of the publication is approximately 950,000 passengers per month.

(b) Angling Adventures

In 1987/88, Angling Adventures published an eight-page insert outlining sportsfishing activities in the Northwest Territories, as well as highlighting aspects of Northern culture such as arts and crafts and country foods. Angling Adventures also featured a double-page spread **TravelArctic** advertisement promoting sportsfishing in the Northwest Territories. A similar co-operative project with the publication is recommended for 1988/89. Angling Adventures reaches a total circulation of 2,005,655.

(c) Canada West Programme

The Canada West programme in 1988/89 consists of a recommended joint marketing project to promote the entire region of the Northwest Territories, the Yukon and Northern British Columbia, as a destination for independent pleasure visitors who travel by personal vehicles.

It is currently under negotiation, and this programme will likely be accomplished by the creation of a consortium consisting of **TravelArctic**, Tourism Yukon, Tourism B.C., a major International Air Carrier and some key industry participants. In addition, Tourism Canada will be approached to participate.

The main objectives of this co-operative venture are as follows:

(i) To increase the length of stay by Alaska-bound visitors in the NWT Western **Arctic** region, the area North of Highway 16 in British Columbia, and in the Yukon.

(ii) Increase the visitor per diem expenditure in each of the participating jurisdictions for visitors traveling by personal vehicle.

(iii) Increase the number of visitors to the region who arrived on a fly/drive trip.

Research has indicated that the target markets for this programme are the United States, which is the dominant origin of the self-drive tourist to the Region,

Details of a joint Canada West programme of this nature are currently being developed by all participating parties.

(d) Other Co-operative Programmed

Additional co-operative marketing programmed are currently being investigated with possible partners such as Tourism Canada and the provinces of Manitoba and Alberta.

TRAVELARCTIC
MARKETING PROGRAMME
1988/ 89

6. TRAVEL TRADE PROGRAMME
 (i) OBJECTIVES
 (ii) ACTIVITIES
 (iii) DRAFT TRAVEL TRADE
 ADVERTISING MEDIA PLAN

6. Travel Trade Programme

i) Objectives

A marketing programme targeted at the travel trade will continue to be implemented to achieve the following results:

- (a) To assist in creating a positive awareness of the Northwest Territories as an attractive destination amongst the world-wide travel trade.
- (b) To build the necessary base of **NWT** tourism product knowledge **resulting** in more efficient customer servicing.
- (c) To **motivate** a significant number of the travel trade to **sell NWT products**.
- (d) To increase TravelArctic's present database of travel **agents**, and,
- e) To facilitate tourism customer servicing through the **travel** trade.

ii) Activities

(a) Continuing an advertising campaign in the influential travel trade **press** of the United States throughout the year.

(b) Participating in the Canada West **programme** for overseas markets.

(c) Promoting the **NWT** tourism at major trade chows and conferences. **Trade** shows recommended for 1988/89 include the following:

- 1) Rendezvous - Vancouver B.C., sponsored by Tourism Canada
 - largest and most prestigious tourism marketplace in Canada
 - **1100** buyers and sellers
 - North American and International buyers

2) **Tourcan** - Regina, **Sask.**

- domestic buyers and U.S. sellers

3) **National** Tour Association Conference

- Kansas City
- 3500 delegates
- Canadian and U.S. buyers and sellers of tour-oriented **intermodel** holidays

4) **World Trade Mart** - London, England-

- **38,000** trade delegates
- primarily travel agents
- 85 Canadian exhibits

(5) **Odyssey** - Red Deer, Alberta
- **geared** towards Western Canadian private sector

(6) **ITB** - West Berlin
- 25,000 delegates (**mainly** wholesalers)
- 85,000 consumer visitors

(7) **Corroberry** - Canada West (Australia)

(d) Conducting special events/promotions in cooperation with public/private sector partners,

(e) Providing recommendations/direction for familiarization tours to the NWT Tourism Zone Associations' and **operators**.

(f) Generating well-qualified leads/inquiries **for** the TravelArctic database.

(g) providing support and assistance, which includes free information/resource materials and selling aids; and

(h) Negotiating increased and immediate reservations through automated **systems** of airlines, hotels, etc.

6. TRAVEL TRADE PROGRAM

(111) DRAFT TRAVEL TRADE ADVERTISING MEDIA PLAN

MEDIA OBJECTIVES

TARGET AUDIENCE

To direct advertising to the target audience defined as:

- Tour Operators
- Travel **Agents**
- Wholesalers

GEOGRAPHIC COWRAGE

To advertise on a national basis with specific emphasis placed against regions representing maximum potential.

TIMING/DURATION

To advertise **at the most opportune time to reach the target** audience prior to and during peak **vacation planning periods.**

EACH/FREQUENCY

.. To provide maximum reach of the target audience.

MEDIA SELECTION

To utilize media vehicles that reach the target audience and are compatible with the creative message.

TRAVEL TRADE
ADVERTISING
MEDIA/STRATEGY RATIONALE

A combination of **Full Page 4 Colour** and **1/4 Page** **advertisements** will be utilized **to reach** the business reply card has been eliminated **for** action-driven advertisements will generate continuation of the Image/awareness campaign.

The leading **Travel Trade** publications have communicate TravelArctics message and **general** publications have been selected on the basis geographic areas of priority (see Exhibit I).

TRAVEL **TRADE**
MEDIA RECOMMENDATION

An **overview** of the recommendation follows:

MARKET : United States

MEDIA : Trade Magazines
 Travel Weekly, Travel **Agent**,
 Tour & Travel **News**, Travel Age (West) ,
 ASTA Agency Management

UNIT SIZE: **Full** Page 4/C
 1/4 Page B / W

OF INS. : 2-8 insertions per publication

TOTAL # INS.: 26 insertions

CAMPAIGN DATE: Between Nov. 1, 1988 and March **31**, 198?

GROSS PERSONS
IMPRESSIONS: 1,909,822
{based on 2.3
readers per copy)

E X H I B I T S

EXHIBIT I

**TRAVEL TRADE
CIRCULATION ANALYSIS**

<u>TERRITORIAL DISTRIBUTION</u>	<u>TRAVEL WEEKLY</u>	<u>TRAVEL AGENT</u>	<u>TRAVEL AGE WEST</u>	<u>*ASTA AGENCY MANAGEMENT</u>	<u>TOUR & TRAVEL NEWS</u>
New England	3,521	2,985	---	1,138	2,848
Mid Atlantic	10,548	10,722	---	3,788	8,092
E.N. Central	6,993	6,372	---	2,073	5,942
N.N. Central	2,424	1,897	---	769	2,586
S. Atlantic	7,822	7,731	---	2,538	5,672
E.S. Central	962	756	---	323	1,060
W.S. Central	2,100	3,202	---	1,247	3,146
Mountain State	1,914	2,023	4,674	867	2,600
Pacific State	6,429	8,435	26,919	3,986	8,355
Canada	1,144	260	576	288	3,103
Foreign	265	238	---	2,952	---
Other	196	132	---	56	---
TOTAL	<u>42,252</u>	<u>42,461</u>	<u>32,374</u>	<u>20,087</u>	<u>43,000</u>

* Formerly ASTA Travel News

TRAVELARCTIC
MARKETING PROGRAMME
1988/-@

7. MARKETING SERVICES

7. MARKETING SERVICES

The following items will be used to assist in the marketing process, in cooperation with the private sector in the Northwest Territories:

- o **Explorer's Guide**
- o **Fishing Guide**
- o **Rivers North Guide**
- o **NWT Map**
- o **Posters**
- o **Plastic Bags**
- o **Promotional Items**
- o **Compliment Cards**
- o **Envelopes**
- o **Letterhead**
- o **Business Reply Cards**
- o **Portable Display**

These items are distributed to respondents requesting more information about the Northwest Territories and to many incoming visitors. Information packages are tailored to the type of information requested (ie. Sporthunting vs. Sportsfishing) (see following section for additional detail on fulfillment services) .

In addition to these items, an 8-12 minute tourism film about the Northwest Territories is planned for the summer of 1988. This film will depict the wide variety of tourism experiences to be had in the Northwest Territories. It will likely combine original footage with footage from TravelArctic's Expo '86 film, "The Emerging North" and from the Tourism Industry Association promotional film. This production will be utilized as a public relations tool at trade and consumer shows, and other special events.

TRAVELARCTIC
MARKETING PROGRAMME
88/89

8.MARKETING RESPONSE AND FULFILLMENT

8. MARKETING RESPONSE AND FULFILLMENT

TravelArctic has implemented a computerized response tracking system for its marketing activities which not only **measures** the effectiveness of each marketing effort, but **also** provides a comprehensive data base of quality **leads**.

An example of how the tracking system operates can be illustrated through the **TravelArctic** advertising campaign. In the 1988/89 programme, each **TravelArctic** advertisement in each magazine was assigned two computer tracking *codes*. One code was inserted into the **TravelArctic** address printed on each advertisement (**ie**: Write to .***0 "Department 403, **TravelArctic**") . Another code was assigned to responses coming from the advertisement on **TravelArctic's** 800 telephone *line*. Information concerning the location of the respondent and the kind of information requested is derived from each letter and phone call to **TravelArctic**.

This information **is** then stored on a computer data base and **serves** as an excellent indication of which advertisements *are* most effective in generating leads. It is important to note that because these advertisements are **specially-targetted** at upscale, adventure-oriented markets, the quality **of** leads generated from the campaign is estimated to be *very* high in terms of future bookings.

In addition to developing this valuable data base from inquiries, mailing **labels** are also generated. Specially-tailored fulfillment **packages** are sent out to each respondent depending upon the information requested. These packages contain the brochures and marketing aids outlined in the previous section and **are** sent out within 48 hours of a request coming in.

Individual operators can also take advantage of this tracking service. Mailing labels of **leads will** be supplied to interested operators on a two-week basis. A number of NWT operators have taken advantage of **this service** to date and have received actual bookings as a result.

As of May 1, **TravelArctic** has received approximately 40,000 responses to the marketing programme.

TravelArctic's computer tracking system has proven to be one of the most sophisticated and state-of-the-art services implemented by similar organizations across Canada. The system will in fact be upgraded and enhanced for the 1988/89 programme to ensure that a continued high level of quality leads and research information is provided to the private *sector*.

TRAVELARCTIC
MARKETING PROGRAMME
1988/89

9. INDUSTRY CO-OPERATION

9. INDUSTRY CO-OPERATION

The TravelArctic " Marketing Programme is expressly designed and implemented to expand the Northwest Territories tourism industry and assist individual operators in generating quality leads and increasing bookings.

There are several methods by which individual operators and Zone Associations can ~~indirectly~~ benefit from the Marketing Programmes. For example, individual operators and Zone Associations are invited to tie into the TravelArctic advertising programmes, providing an operator's marketing objectives and target markets match those of the TravelArctic advertising, an operator can insert an advertisement in the same publication as TravelArctic, where appropriate*. Many of these publications will print a sentence at the bottom of the TravelArctic advertisement directing readers to the individual operator's advertisement in the same magazine. The operator therefore benefits from the extensive exposure the large, TravelArctic advertisements generate. The same procedure can apply to Zone Associations. Details of the publications in which TravelArctic will be advertising in the 1988"/89 programme will be sent to each operator in the coming month. A response form to tie into the programme will accompany this information which can be filled out easily by the individual operator and returned to TravelArctic's advertising Agency of Record (AOR). The AOR will then book the operator's advertisements on their behalf and organize any administrative details with the magazines.

Cost savings for the operator or Zone Associations can also often be achieved, depending upon the publication. This occurs because operator and Zone advertising can often fall under special contracts which have been negotiated by the Agency of Record with specific publications. The AOR has negotiated discounts because of the frequency of advertising purchased for TravelArctic and Tourism Canada. This can also provide the operator with discounted rates which would not be offered if an operator booked their advertising space independently. Additional details regarding these savings and how they have been negotiated will be included in the information package for each operator.

In addition to tying in to the TravelArctic advertising programme, operators can take advantage of the leads generated by TravelArctic's marketing efforts. (see previous section). This will not only assist operators in gathering leads, it will also assist in increasing actual bookings.

10.0 ADVERTISING PROPOSAL

10.1 Introduction

Camp Associates Advertising Limited is **honoured** to be considered for this important communications assignment.

It is evident that the **Baffin** tourism region of the Northwest Territories offers tourists around the world a variety of unique and exciting vacation opportunities, particularly in the outdoor/adventure and culture/touring categories.

As indicated by the **Baffin** Tourism Association (**BTA**), the 1987-88 marketing objectives for the region focus on increasing an awareness of these **Baffin** vacation possibilities amongst target groups in eastern and central Canada and the United States.

More specifically, the advertising activities undertaken by the BTA should also promote increased tourism to the **Baffin** during the spring and late winter season.

The following advertising proposal outlines a number of recommendations addressing the creative message and design, as well as media selection and **costings**. Together, these recommendations addressing the creative message and design, as well as media selection and **costings**. Together, these recommendations addressing the creative message and design, as well as media selection and **costings**. Together, these **recommendations** are designed to meet the overall **advertising** objectives of the **Baffin** Tourism **Association** in an effective and cost-efficient manner.

10.2 BAFFIN TOURISM ASSOCIATION ADVERTISING STRATEGY

10.2.1 Creative Consideration:

The briefing material provided by the **BTA** to the Agency has indicated that the following creative considerations are important in the development of the advertising campaign for the Zone:

1) Baffin Images:

- Accessible
- Exotic
- Adventurous
- Unique in geography and wildlife
- Cultural (**Inuit**) and historical
- Peaceful, friendly atmosphere

2) Advertising Message(s):

- Should aim at a variety of media, addressing different target audiences;
- Should identify spring activities such as dog-teaming, snowmobile journeys, flow-edge visits and wildlife viewing;
- Should address Arctic Circle activities such as hiking; and,
- Should also continue to promote the cultural, historical and adventure characteristics of vacationing in the **Baffin**.

3) Advertising Executions:

- New **BTA** slogan;
- New advertisement designs; and,
- Continue using the existing **Baffin** logo along with the Canadian maple leaf on all promotional materials.

In view of these creative considerations identified by the **BTA**, Camp Associates Advertising recommends that the **BTA** advertising strategy may consist of the following:

a. Creative Development Process:

It is recommended that **BTA** advertising materials be jointly developed and produced by Camp Associates and a northern advertising agency which would be selected through the **customary** "Call for Proposal" process. Camp Associates would work with the **BTA** in evaluating the proposals and in the selection of a northern agency.

Once an agency from the Northwest Territories is selected

for the **BTA** account, Cape Associates would provide that agency with general creative guidelines (see below) to develop any new advertising for the **Baffin** Zone. Specific advertising designs and message would then be developed by the northern agency, interpreting those creative guidelines.

b. Creative Guidelines

Given **the BTA's** creative considerations, budget capabilities, and the desire to ensure that any **BTA** advertising is somehow consistent with the overall **TravelArctic** image/product advertising, Cape Associates recommends the following creative guidelines:

- The production of one new advertisement for the **BTA** 1/6 page format, in black and white.

This **recommendation** is based on the **BTA's** briefing concerning media selection, which indicated that a wide range of publications should be included in this media purchase.

The 1/6 page format is the most economical method of accommodating this request, particularly given the **BTA's** media and creative budget allocations (see **BUDGETS**, **pg.**).

- The advertising message should focus on the exotic/adventure and cultural/historical characteristics of vacationing in the **Baffin**, while highlighting activities which occur in the late winter and spring, as requested in the **BTA** briefing. While producing a variety of different messages for different media and their target groups would be ideal, again, budget considerations are not likely to allow for such an extensive campaign.

.The new creative design for the ad should include the **Baffin** logo, the Canadian maple leaf, and a new slogan for the **BTA**, which would be developed by the northern agency selected for the account. The visual and/or copywriting for this advertisement should show some consistency with the overall **TravelArctic** campaign, while continuing to promote the unique aspects of the **Baffin** as an individual zone. For example, the visual could feature a scene which is **warm-looking**, dramatic, features tourists, and which is indicative of the unique **Inuit** culture in the Zone. Through the **market-testing** of **TravelArctic** advertising, all of these elements have proven to be attractive to tourists. The responsibility **for developing** the design and copy of the advertisement would be that of the Northern agency selected **for** the account.

10.2 BAFFIN ADVERTISING STRATEGY

10.2.1 Media Recommendations

1) Advertising Objectives

The advertising objectives as outlined in the **Baffin** Tourism Association's Advertising Program are as follows:

- a. To create optimum levels of awareness of the **Baffin** as a prime destination for visitors.
- b. To increase awareness of the **Baffin** and its products.
- c. To promote increased visitations to the **Baffin** during the Spring season and latter part of the Winter season.

2) Media Objectives

Target Audience:

- To direct advertising to the target group(s) defined as:

Outdoors/Adventure/Culture and Touring *

Adults 25 - 54
HHI **\$40M+**
Some College or better

Geographic Emphasis

- To **concentrate** advertising in specific areas in the United State and Canada.

Timing/Duration/Scheduling

- To advertise at the most opportune time to reach the target groups, either prior to or during peak vacation planning periods.

Height Levels

- To reach a maximum of 70% of the target audience, with concentrated efforts on frequency of message.

Media Selection

- To use media vehicles which:
 - a. reach the target audience
 - b. are compatible with creative message.
- Budget - \$31,732.00

* SOURCE: **Baffin** Region Tourism Development Report

--

3) Media Strategy

Role of Advertising:

- .The role of advertising is to effectively communicate **Baffin** Tourism Association's message. To achieve this objective the advertising must:
- .generate and maintain awareness of the **Baffin** as a prime vacation destination;
- create awareness of the **Baffin** products;
- .help to increase visitation during spring and latter part of Winter seasons.

Target Audience Definition:

- Visitors of the **Baffin** tend to be in the higher income bracket, with college or better education, well travel led and accustomed to long-haul destinations. The target audience is defined as:
- Adults 25- 54
HHI **\$40M+**
Some College or better education
- The target audiences are lovers of nature and the outdoor environment with a keen curiosity in the culture and arts of the region visited.

Geographic Coverage:

- The campaign will be concentrated in the Eastern and Central parts of the United States and Canada:

<u>Us.</u>	<u>Canada</u>
New England	Quebec (Eng.)
Mid Atlantic	Ontario
E.N. Central	Al berta

Timing Duration:

- Due to the late start it is imperative that advertising commence as soon as possible. However with production of new creative and long lead time required by magazines, the start date **will** be February, 1988.

Height Levels:

- A maximum of 70% reach of the target group has been determined

in the media objectives. A minimum frequency of 3 exposures will be effective for the campaign.

Media Selection:

- To achieve the advertising objectives the media selected will be required to meet a list of criteria. These criteria are:

- good target group coverage
- cost efficiency and effectiveness
- compatible with creative message
- geographic coverage and flexibility
- ability to generate frequency within the campaign period.

FY 1988 Budget:

- The budget for the 1988 campaign has **been** determined as follows:

<u>* U. S. Media</u>	<u>Canadian Media</u>
\$15,031.00 Us.	\$11,464.00
<u>\$20,267.55 CDN.</u>	<u>\$11,464.00</u>
<u>Total Expenditure</u>	
\$31,731.55 CON.	

* Converted to Canadian @ \$1.35

CAMP ASSOCIATES ADVERTISING LIMITED

CLIENT:

BAFFIN TOURISM ASSOCIATION
 FY 1988
 PROPOSED ADVERTISING SCHEDULE

MAGAZINES - 1/6 PAGE B/W		JAN.		FEB.		MAR.		APR.		MAY		JUNE		JULY		AUG.		SEPT.		OCT.		NOV.		DEC.	
	W/O	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
U.S.																									
Travel & Leisure * (Eastern Edition)																									
C.D. Dec. 10/87																									
Smithsonian *																									
C.D. Dec. 15/87																									
Natural History *																									
C.D. Dec. 15/87																									
Audubon World *																									
C.D. Jan. 4/88																									
CANADIAN																									
Equinox (Ont. Edition)																									
C.D. Jan. 25/88																									
Canadian Geographic																									
C.D. Dec. 15/87																									
Discovery																									
C.D. 1st of prec. month																									
Up Here																									
C.D. Dec. 18/87																									
Canadian																									
C.D. Dec. 21/87																									
Destination																									
C.D. 5 weeks proo.																									
Explorer's Guide																									

* TRAVEL PIC'S ADVERTISEMENTS IN ALL ISSUES

4) Media Recommendation

An **overview** of the recommendation follows:

Market - U.S. (with emphasis on New England, Mid Atlantic and **E.N.** Central) and Canada

Media - Magazines : Us. Travel & Leisure (Eastern Ed.),
Smithsonian, Audubon World, National
History, CANADIAN - Canadian Geographic,
Equinox (**Ont.** Ed.), Discovery, Up Here,
Destinations and Explorer's Guide.

Unit Size : 1/6 Page B/W

of Insertions : 1- 2 per publication
Total Ins. - 17

Schedule Date : February 1988 - April/May 1988'

Est. Gross Impression: 16,755,438 (based on 3.5 readers/copy)
(total number of people exposure to an
advertising schedule)

Total Expenditure : \$31,732.00 (**CDN.**)

SCHEDULE COST DETAILS FOLLOW

4) Media Recommendation (Cont'd)

SUMMARY

<u>MEDIA</u>	<u>\$ (GROSS) CDN.</u>
Magazines	
u.s.	● \$20s268.00 (CDN.)
Canadian	11,464.00
Total Media	<u>\$31,732.00</u>

* Converted to Canadian @ \$1.35

5)

COST DETAILS - MAGAZINES (U.S. & CANADIAN)

Unit Size : 1/6 Page B/W (Except Explorers Guide FP 8/W)

<u>Publication</u>	<u>Circ.</u>	<u>Cost/Ins.</u>	<u># Of Ins.</u>	<u>Total Cost</u>
<u>U s .</u>		<u>\$ Gross</u>		<u>\$ Gross</u>
Travel & Leisure (Eastern Edition New England, Mid Atlantic)	355,000	2,513.00	2	5,026.00
Smithsonian (National)	2,310,970	5,062.00	1	5,062.00
Natural History (Eastern Regional Ed. all states east of the Mississippi)	325,000	2,075.00	2	4,150.00
Audubon World	404,695	1,775.00	1	1,775.00
Total U.S.				\$15,013.00 Us.
Total Canadian Converted @ \$1.35				\$20,267.55 CDN.
<u>CANADIAN</u>				
Equinox (Ont. Ed.)	80,000	1,490.00	1	1,490.00
Destinations (Nat.)	318,000	1,480.00	1	1,480.00
Canadian Geographic (Nat.)	170,552	1,175.00	2	2,350.00
Discovery	19,057	190.00	2	380.00
Up Here	29,000	337.00	2	674.00
Canadian	95,000	2,045.00	2	4,090.00
Explorer's Guide	---	1,000.00	1	1,000.00
Total Canadian				\$11,464.00
TOTAL MAGAZINE EXPENDITURE				\$31,731.55 CDN.

Note: Rates used are based on known frequency discounts. However if other zones participate in any of the above publications, additional discounts will be earned. Saving could be reinvested in additional insertion.

6) Media Rationale

In keeping with **Baffin** Tourism Association's objective to create and maintain awareness of the **Baffin** as a vacation destination and to increase visitations, magazines have been selected as the most effective medium to reach the target audience.

The target audience for Outdoors/Adventure/Culture and Touring are heavy magazine readers according to SMRB (See Exhibit I). In addition those people who have the potential to travel to Canada are also heavy magazine readers. Therefore magazines are recommended as the key vehicle to reach this audience.

Travel magazines in particular have a favorable editorial environment and according to the U.S. Pleasure Travel Study are important sources of information when planning for travel (See Exhibit II).

Magazines with a very defined audience allow **Baffin** Tourism Association to reach their desired target audience with little or no wastage in circulation.

Due to budget limitations a series of 1/6 page black and white advertisements are recommended. Research has shown that potential travelers have a great need for specific information on accommodation and tours. Therefore to provide added impact we are recommending that **BTA's** advertisements be scheduled in the same U.S. magazines as Travel Arctic advertising campaign which will create the image/awareness of the **Baffin** region.

To effectively reach the primary target audience the **Baffin** message will be scheduled in the following publications.

U.S. (4)

Travel & Leisure
(Eastern Ed.)
Smithsonian
Natural History
Audubon World

CANADIAN (7)

Canadian
Canadian Geographic
Equinox (Ont. Ed.)
Discovery
Up Here
Destinations
Explorer's Guide

The magazines selected will reach a broad target group which includes the "**Yuppies** and the Mature Market".

Sportsfishing publications have not been included as it is felt Travel - Arctic's campaign in Fly Fisherman, Natural History, In-Fisherman and Angling Adventure will be listing **Baffin** region operators.

Newspapers were reviewed, but due to budget constraints, were not recommended. We would recommend, however, that a **Co-op** arrangement be considered with First Air for the Boston and New York newspapers.

EXHIBIT I

Indices of Print Exposure By
Selected Demographic Groups

<u>All Adults</u>	<u>Magazines</u>	<u>Newspapers</u>
<u>SEX</u>	<u>100</u>	<u>100</u>
Male	95	103
Female	105	97
<u>AGE</u>		
18 - 24	156	59
25 - 34	125	77
35 - 44	102	98
45 - 54	75	119
55 - 64	66	131
65+	50	138
<u>EDUCATION</u>		
College Grad	89	108
● Attended College	115	93
High School Grad	104	108
Attended High School	91	88
<u>OCCUPATION</u>		
Professional /Managerial	93	107
Clerical /Sales/Technical	110	99
Crafts/Foremen	106	92
Other	115	86
Unemployed	90	106

Source: 1986 SMRB

● Read as follows: Attended college - magazine readership is 15% higher than the national average in the group who have attended college.

EXHIBIT I (Cent' d)

Print Usage - Travelers to Canada

	<u>Total</u>	<u>Travelled to Canada in</u> <u>The Last 3 Years</u>			
		<u>U s .</u> <u>(000)</u>	<u>(000)</u>	<u>V%</u>	<u>H%</u>
TOTAL ADULTS	169,460	6,731	100.0	4.0	100
<u>MAGAZINES</u>					
Quintile 1	31,709	1,644	24.4	5.2	131
Quintile 2	36,823	1,599	23.8	4.3	109
Quintile 3	29,136	1,235	18.3	4.2	107
Quintile 4	35,659	1,400	20.8	3.9	99
Quintile 5	36,133	853	12.7	2.4	59
<u>NEWSPAPER</u>					
Quintile 1	32,367	1,745	25.9	5.4	136
Quintile 2	45,475	1,918	28.5	4.2	106
Quintile 3	24,126	859	12.8	3.6	90
Quintile 4	35,013	1,410	20.9	4.0	101
Quintile 5	32,480	799	11.9	2.5	62
<u>DAILY NEWSPAPER</u>					
Read Any	108,812	4,725	70.2	4.3	109
Read One	84,651	3,413	50.7	4.0	102
Read Two+	24,161	1,311	19.5	5.4	137
<u>WEEKEND/SUNDAY</u> <u>NEWSPAPER</u>					
Read Any	110,255	4,916	73.0	4.5	112
Read One	96,020	4,147	61.6	4.3	109
Read Two	14,235	769	11.4	5.4	136

Source: 1986 **SMRB-Travel**

Read as follows: V% is the **magazine** reader as a percent of the total adult population **who travelled** to Canada **in** past three years.

H% is the magazine reader as a percent of the total U.S. adult population.

EXHIBIT II

INFORMATION SOURCES USED WHEN PLANNING TRIP

	<u>Total</u>	<u>Close-To-Home</u>	<u>Touring</u>	<u>City Trip</u>	<u>Outdoor</u>	<u>Resort</u>	<u>Cruise</u>	<u>Theme</u>	<u>Other</u>
TOTAL	1142	286	180	175	195	213	23	71	0
Recommendation of Acquaintances/Friends/Relatives	576 50.4	138 48.2	92 *51.3	85 48.5	110 56.6	99 46.4	13 56.7	39 54.5	0 0.0
Newspapers	94 8.2	27 9.4	14 7.9	25 14.3	4 1.9	9 4.4	3 13.8	11 15.7	0 0.0
General Magazines	41 3.6	10 3.6	6 3.6	5 3.0	5 2.7	6 2.8	3 14.8	4 6.0	0 0.0
Travel Magazines	78 6.8	10 3.6	23 13.0	9 5.2	7 3.8	19 9.0	1 4.0	8 10.7	0 0.0
Books	36 3.2	6 2.1	11 6.3	5 2.6	5 2.6	5 2.2	1 4.2	3 4.9	0 0.0
T.V.	61 5.4	16 5.8	12 6.9	10 6.0	5 2.6	4 1.8	4 15.8	9 13.4	0 0.0
Radio	40 3.5	13 4.5	4 2.3	9 5.2	3 1.5	1 0.5	2 6.9	8 11.2	0 0.0
Documentary Travel Films	6 0.5	0 0.0	5 2.6	0 0.0	0 0.0	1 0.3	1 4.0	0 0.0	0 0.0

Source: U.S. Pleasure Travel Study 1985 (Longwoods)

* Read as follows: 51.3% of the total touring (180) use the recommendation of acquaintances, friends and relatives as their source when planning a trip. (Continued)