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THE BAFFIN

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Plans/Strategies

THE BAFFIN

7.0 THE BAFFIN

7.1 Introduction

The Baffin Travel Zone is actual ly a collection of arctic islands with Baffin Island being the largest. The Region is only accessible by air. There are currently no cruise ships to the Baffin from southern destinations such as in the case of the Yukon/ Alaska cruise ships which are a major tourism industry for the Yukon, valued at $13.6 million annually.

The population of the Baffin region is approximately 10,000 people.

TABLE 22

Baffin Regional Population

Community	Male	% Total	Female	% Total	1981	1986
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
Igloolik	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 Unorganized	100	55.6	80	44.4	180	208
Regional Total	4,330	52.2	3,970	47.8	8,300	9,832

Source: Statistics Canada

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% respectively. For a number of Baffin communities, language has been a barrier to tourism development, particularity in the case of providing visitor services and programs. An even greater barrier are 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 deiivery of Baffin tourist 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 fail accounts for less than 3% of annual non-resident pleasure travel and is attributed largel y 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 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 23

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

Community	Number of Packages	Number of clients	Approximate **Value**
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
Totals	50	1,788	$3,021,744.00

Source: Tourism and Parks - Baffin Region (to August 27, 1987).

7.2 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.

TABLE 24

Total Person Trips to Baffin
June to September and
Trip Purpose

	1982		1984		1985		1987	
Number of Trips	**2,500**		**3,250**		*3,802*		5,086	
Trip Purpose	%	#	%	#	%	#	%	#
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 NWT.**

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

Note: **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 NWT. 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 iow relative to other zones such as Fort Smith and Inuvik.

Vacation Travel Expenditure To the Baffin is More Than Twice the Value of Other NWT Regions

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

TABLE 25

Comparison of Average Party Vacation Expenditure - 1984

	Baffin	Inuvik	Fort Smith	Average for NWT
Average Travel party Expenditure	$1,550	$ 455	$ 565	$ 625

Source: Visitors to the NWT, 1984.

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

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. I n 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 the Fort Smith area. For 1987, the average trip expenditure for pleasure travel to the Baffin is estimated to be $1,690 per person. This expenditure level does not in- Cl ude discretionary spending on crafts and goods/ services.

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 26

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

Canada	1982	1984	1985	Business Travel	Pleasure/ other Travel
Ontario	33	47	39	36	45
Quebec	21	22	25	33	11
Mar it imes	6	9	9	11	4
Manitoba	2	3	4	6	1
British Columbia	2	1	4	5	1
Alberta	9	2	2	2	1
	74	83	83	93	63
Foreign					
U.S.A.	22	11	15	6	34
Other	4	5	1	1	3

Source: Visitors to the NWT 1982, 1984 and 1985 Baffin Air Travel Survey.

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

Interesting y, 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 Baff in, 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.

7.3 Market Potential for Baffin Products Pleasure Travel

7.3.1 — Introduction

Baffin pleasure travel can largely be characterized as being one of the NWT's higher-valued tourism products. Both within the NWT and in North America the Baffin offers a unique, al- , most 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 27

Origin of U.S. **Pleasure** Travel To the **Baffin**
1985

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

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.

7.3.2 — Baffin Pleasure 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 28

Baffin Packaged Tour Sales - 1987

Tour Package Category	Number of Packages Sold	Number of Tourists
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 29

Baffin Pleasure Travel categories

Category	Number of Packages	Number of Tourists	value
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	$ 1,954,994
- Canoeing/ Kayaking/ Boating/ Rafting	5	200	
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 essential ly day trips.

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

7.3.3 — Market Potential

The market potential for the Baffin's pleasure travel industry is principally in the outdoor/adventure market, general touring, and consumptive products, in that order. In a previous chapter estimates of the potential North American market for the NWT were provided. The following table indicates the market potential specifically available to the Baffin and the Baffin's current capture rate.

TABLE 30

Market Potential for Baffin Pleasure Travel Products

	Potential North American Market for NWT	Current Baffin Pleasure Travel	Penetration Rate
Non-Consumptive Outdoor/ Adventure Travel	46,600	700	1.5%
General Touring (Packages)	15,727	900	5.7%
Consumptive Outdoor /Adventure Travel (Hunting Only)	11,240	100	.1%
Totals	73,547	1,800	2.4%

At the present time the Baffin is capturing 2.4% of the estimated market potential for pleasure travel to the NWT. Clearly there is significant market potential for the development of the Baffin's tourism industry, particularly in the non-consumptive adventure travel market. The following chapters examine the supply side of the Baffin's industry and its capabilities to deliver pleasure travel products.

7.4 Baffin Tourism Industry - supply side

7.4.1 — Introduction

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.

7.4.2 — Accommodation

7.4.2.1 — Hotels/Motels

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

TABLE 31

Baffin Hotel/Motel Accommodation

	No. of Facilities	Rates	No. of Rooms	Seasonal ** Room Night Capacity	Accommodation Capacity	Seasonal ** Bad Night Capacity	Employees
Arctic Bay	1	$131	8	976	16	1,952	3
Broughton Island	1	$135	8	976	12	1,464	3
Cape Dorset	1	$130	11	1,342	23	2,806	3
Clyde River	1	$140	6	732	12	1,464	2
Grise Fiord	1	$125	9	1,098	10	220	6
Hall Beach	1	$125	5	610	9	1,098	3
Igloolik	1	$125	8	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	$150	12	1,464	24	2,926	5
Resolute Bay	2	$120	57	6,954	90	10,980	6
Sanikiluaq	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.

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 travellers. It was not possible to separate out profiles for business and vacation travellers.

TABLE 32

Accommodation Characteristics For Baffin Travelers

Type of Accommodation	Percent	Average Stay
Hotels /Motels	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 Septemer 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 travellers 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 33 has been compiled from statistics obtained by Tourism and Parks 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).

TABLE 33

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

	Government	Construction	Tou s s	Other	Occupancy Level June - September
Arctic Bay	4 .9	43.4	1.9	12.8	49.2
Cape Dorset	[illegible]	[illegible]4.3	.9	.1	64.8
Pond Inlet	55.5	–	8.8	32.5	–
Pangnirtung	[illegible]	2.2	[illegible]	29.0	-
Igloolik	[illegible]	12.5	5.4	2 .4	[illegible]
Gr se Fiord	----------- (Construction Workers — 79.9%) -----------				–
Hall Beach	[illegible]	41.8	2.2	9.9	–

Source: Tour sm and Parks - 983-86.

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.

Hotel operators should work closely with the tourist industry (tour organizers) to supply-manage available accommodation. The NWT 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 wel l as improve year round occupancy. This would be of particular benefit to smaller communities with limited accommodation capacity.

Regarding accommodate ion operators' views as to the prior ization of government programs to develop the industry, the following table represents a ranking of program priorities:

TABLE 34

Operator% Ranking of Program Priorities
To Assist the Industry

Type of Program Assistance	Percent Ranking
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%
Improvements to Transportation Services	56%
Marketing Assistance -	56%

Source: DMCA operator survey.

7.4.2.2 — Lodges and Tent Camps

Unlike other regions of the NWT the Baffin has very few tourist lodges. in most cases they are tent camps. There are five such facilities iocated in the Baffin. There is oniy one fixed-roof lodge facility in the Baffin (Lake Hazen Lodge).

TABLE 35

Lodges and Camps - Baffin Region

Name of Establishment	Resident staff	Non-Resident
Tongnait Arctic Tent Camp	6	1
Clearwater Fiord Tent Camp - Pangnirtung	7	1
Kuluctoo Bay Camp	4	0
Kekertuniung Camp	2	0
Total Camps	19	2

Compared to other regions in the NWT there has been substantially greater lodge development. Most lodges in the NWT were originally built 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 hoid any reai opportunity, the development of naturalist lodges would, particularly in outstanding destination areas. The Keewatin has deveioped such a facility at Wager Bay.

7.4.3 -- Transportation Services

The Baffin's principal non-resident markets are Ontario and the Eastern U.S. 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 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.

7.4.4 -- 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 folk lore. A good guide makes a trip both interesting and entertaining.

Outfitting in the Baffin has developed to a much greater extent than in other NWT regions. In fact the Baffin accounts for 30% of the NWT'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 increases in packaged tour sales.

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

TABLE 29

Baffin Region Licensed outfitters

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

7.5 Product Development Strategy

7.5.1 — Introduction

Although significant market potential was identified for the Baffin's tourism products, the development of a viable industry in the Baffin will be a long term evolutionary process. Interest and awareness in tourism in the Baffin has increased significant y. The main constraints to capturing greater pleasure travel relate to the development and delivery of the Baffin's tourism products to the right markets.

Packaged tours offer the best vehicle through which to develop the Baffin's pleasure travel industry. Unlike southern destinations, tourist travel to the Baffin is not promoted by short-term or impulse travelers. Rather, plans are made in advance and the costs of travel and accommodation are packaged and will normally include guiding. Previous studies have identified that package tour groups (Pangnirtung Community Tourism Study) are the most viable approach (from both a cultural and economic perspective) to increasing pleasure tourist travel. Further, Baffin communities want some element of control over tourist visitation. Tour groups of 6-18 are manageable. They allow communities to know when tourists arrive, how many people, their expectations and what to plan and program for individual tour groups.

There are a total of 14 tour companies currently providing packaged tours to the Baffin. It was not possible to talk to al I tour operators currently offering products in the Baffin. It is generally agreed that the Baffin has excellent market potential. In examining the present menu of tours that are available, there appears to be no shortage of tour products. The problem appears to be one of sales. The one-time capacity for al I 50 tours that are available is over 1,000 persons. In other words if all tours sold every package once there would be 1,000 tourists who would travel to the Baffin. Previously it was estimated that the total pieasure market trip travel to the Baffin was 1,700 trips. it would appear that most of the tour products being offered have iow utilization. The problem is not the variety of products but their sales.

Some tour operators feel that the Baffin's biggest obstacle to future growth is product delivery, particularity at the community level. Tourism awareness and training are both desperately needed at the community level. it is recognized that established guide training programs have been successful, but training is required at virtually every level of the industry. This will require leadership at the industry and community levels.

The Baffin's principal tourism product is really of a "learn and experience" nature. The Baffin has a diverse range of natural attractions. The role of government has not been to build attractions but rather to provide access, interpretation and facilities such as visitor centres and campgrounds to develop the Baffin's natural attractions for visitors. The role of the private sector has been to package, market and service tourists that could be drawn to those attractions.

7.5.2 — Market Development

The Baffin Tourist Association as with other zones contained within the Tourism Industry Association has an established marketing strategy. As in the past, the new Canada-NWT Tourism Development Subsidiary Agreement will continue to support zone program activities in the area of:

- Consumer Programs
- Distribution Network Programs
- Marketing Aids
- Public and Media Relations

In the future, zone marketing will be more closely co-ordinated with Travel Arctic's marketing strategy. Advertising placements will be co-ordinated with Travel Arctic's agency of record. This will bring about greater economy in terms of media buys and placements with specific publications.

There has been increasing interest in consortia or co-operative advertising in the Baffin. This concept embodies a real partnership approach to tourism market development between air-l ines, government, tourism and the industry. While at this point the private sector cannot be expanded to make major contributions towards co-operative advertising, the real value of such marketing programs lies in the co-ordinated delivery of Baffin pleasure travel.

The Baffin's history with the development of packaged tours is still relatively new. In 1987, a packaged tour seminar was held in Iqaluit. The services dealt specifically with the development of packaged tourism products. This seminar was highly successful. It is the type of program initiative that should be encouraged.

Given the importance of outfitting and guiding to the Baffin's industry, general ly and packaged tours, specifically, this industry sector may want to consider increased organization as opposed to independent approaches to marketing and product development. This could include organization along product lines (i.e. hunting/fishing, non-consumptive or cultural /history) or by geographic region (Pangnirtung, Resolute Bay, or Iqaluit). The benefits to organizing include the establishment of a central office to provide phone answering services, administrative and accounting services. Co-operatively the outfitters could also develop new marketing approaches such as direct mail or simply follow-ups with past customers. The benefits of direct mail and targetted marketing will be explained in a later section.

An association could also provide greater opportunities for training seminars and possible information /knowledge exchanges with outfitters located elsewhere in North American to discuss product delivery, equipment and market trends.

7.5.2.1 -- Strategic Demand Side Information Requirements

Market Information

The volume of pleasure travel visitation to the Baffin is relatively low compared to other zones. At the same time the low level of visitation has its advantages. First of all given that the Baffin has the highest per trip expenditure impact in the NWT, the Baffin needs less tourists to produce the same level of economic impact. Secondarily, low visitation allows the Baffin industry to intimately know its customer base, both existing and potential. In fact, with modern word processing, the Baffin Tourism Association could annual ly send every pleasure traveller to Baffin a Christmas card thanking them for their summer travel to the Baffin, on behalf of the Baffin's tourism industry partners, and hoping to see them and their friends next year.

Given the nature of the Baffin's industry it should be possible to approach market development in a highly targetted but cost effective manner.

The development of a good information base to direct the marketing of an industry takes time to develop. Initially it must meet basic measurement and impact criteria such as visitor volume, type of visitor, market origin and expenditure. However to be of real value the information base must also be directive as to where the Baffin's best prospecting opportunities are for future tourism travelers and the type of tourism products and services it should be developing and sell ing.

The Baffin has made a good start to developing an information base. In fact, the Baffin, in many ways, has considerably more information to work with than in other zones. The intent of this section is to provide a framework for future information system development.

Market Identification

Marketing tourism products is no different than marketing other consumer products. It begins with a clear definition of what the Baffin's pleasure travel products are. For the most part the Baffin's products are well defined in terms of characteristics, cost, location and services, largel y because they are packaged. Secondly, a customer profile should be prepared describing who are the Baffin's customers (socio/economic and ps echographic information) and where they I ive. At the present time this information base is still at a very broad level. However, it should be pointed out that the Baffin Tourism Association has started a letters of request data base. This data base tracks information requested by potential travelers to the Baffin. It provides some measure of market response to zone advertising in specific media. I t can also generate leads for operators such as outfitters.

The simplest, and least expensive way to develop a customer profile for the Baffin is through the use of postal and zip codes. Travel Arctic has already started to investigate the potential of this type of analysis by tracking fishing license sales and postal code information. This type of information greatly qualifies who and where the Baffin's customers are.

Postal codes and zip codes are entry keys for the entire North American market. All data and information for consumer products are coded by postal and zip codes. These codes segment the market into income, age groups, occupations and lifestyle vacation interests. By comparing the postal codes and zip codes of Baffin pleasure travel lers against the North American market, then the Baffin knows precisely not only who but where the Baffin's customers are located. Potential customer location can be further qualified based on the availability of the best accessible air service to the Baffin -- i.e. Ottawa, Toronto, Boston, New York. Rather than dealing with an entire city, the information base can produce specific neighborhoods and areas most likely to contain Baffin customers. In this manner, a highly qualified list of potential customers can be approached either through direct mail, telephone marketing or combined with other marketing tools such as media placement or through designated retailers and wholesalers. Priorities can then be established for specific geographic areas as well as for zone consumer show selection and participation.

The development of such a program requires the co-operation and participation of the industry. First of all the industry (airlines, hotels and ‘outfitters) must extract the postal codes from its customers. Very likely partners could be found to finance the development of the information such as the airlines, who benefit substantially from pleasure travel to the Baffin.

By employing such techniques, as described above, the Baffin should have no difficulty in developing highly qualified prospects for future pleasure travel to the Baffin.

It will be important for the Baffin to keep continuous contact with its market. The Baffin could examine the feasibility of developing a themed program that could be very valuable in extracting pertinent data from existing travel. For example, the Baffin could issue a Baffin Explorer's Pass. This concept is not unlike the travel pass idea for Expo '86 where tourists have their pass book stamped. This is also a subtle encouragement to get visitors to visit as many attractions as possible. In return the visitors would supply basic information about themselves, what they did on their vacation to the Baffin and what they spent their money on.

To keep contact with its customer base items could be sent out about new attractions, travel packages and community events such as Toonik Tyme. If no trip conversion results after 3 years, the tourist would be dropped from the mailing list.

The above suggestions for marketing techniques are not expensive, especial ly when they are directed to a highly qualified list of existing and potential travelers. In all cases their cost effectiveness can be measured as opposed to broader marketing awareness programs which are difficult to evaluate.

7.5.2.2 — Strategic Supply Side Information

Rather than the demand for Baffin travel products it is the supply side of the Baffin's industry that is likely to be the most significant constraint to increased tourism. In order to monitor and evaluate the impact of tourism on the Baffin the following program initiatives are suggested.

1. Occupancy Monitoring Program

The lack of data and information on hotel /motel occupancy and market composition in the Baffin frustrates any accurate assessment of the Baffin's accommodation sector. An accommodation monitoring program should be established for at least the peak June to September season. Supplying such data should be a condition of capital and marketing assistance to the industry. An occupancy monitor would assist in "supply management" of accommodation during the peak season. It would also suggest where new accommodation should be developed. Further it could be another source of information for market data and marketing to tourists for followup promotion by the Baffin Visitors Association.

2. Customer Satisfaction Surveys

Previously it was indicated that the Baffin has a significant number of packaged tours (in excess of 50). However the level of visitation generated by those tours is 1,700 people. The one time capacity of those tours is over 1,000 persons. As a result most tours are only sold less than twice during the travel season. Either the Baffin is not reaching the market with its product or possibly it is the packages themselves.

in co-operation with tour operators and other airlines we would propose surveying tourists who are part of packaged tours to find out the attributes most and least liked about the tour. This would include:

- Cost (value for money)
- Package Length
- Rating of Attraction (what they liked most/least)
- Hospitality Ratings for:
  - Accommodation
  - Guiding
- Quality of Guiding
- Other Remarks (would they come again)
- Comparable with other vacation trips they have made to other destinations.

3. General Visitor Data Exit Surveys

At present Travel Arctic conducts a territorial-wide survey every two years of visitors to the NWT. These are expensive field surveys to undertake and should be carried out every two or thee years, as opposed to annual surveys.

Like the Canadian Travel Survey, the main value of the survey is to track overall tourist travel, both pleasure and non-resident, and its impact. It provides an excellent basis for comparing the performance of the NWT's regions in terms of:

- Length of Stay
- Expenditure Impact
- Reason for Travel
- Basic Visitor Demographics
- Geographic Market Origin.

7*5.3 — Product and Facility Development

Although tourism is community-based in the NWT, tourism development will impact differently on each of the 12 communities. It should be noted that tourism plans have been developed for each community. Each of the 12 communities are at a different state of development. Given the scarce resources of the G NWT, communities have been priori zed for development initiatives. The priori zation is as follows:

- Priority I - Iqaluit, Pangnirtung
- Priority I I - Pond Inlet, Cape Dorset
- Priority III - Lake Harbour, Arctic Bay, Igloolik, Broughton Island, Hull Beach, Clyde River, Arctic Bay, Nanisvik and Grise Fiord

Priority I

Iqaluit is the principal gateway to the Baffin. As the main gateway to the Baffin, the community needs to undergo a beautification program to enhance the attractiveness of the community for tourists. This will require leadership at the local level. Communities such as Whitehorse and Dawson City have found that the overall appearance of the community has an important impact on tourists. Tourists like to walk about the local community and explore it. In Iqaluit's case, as well as other Baffin communities, it will be important to clean up garbage and abandoned vehicles, develop proper signage and improve building facades, sidewalks and streets.

For 1988, a new interior display is planned for the airport. It will feature a topographic map depicting the Baffin's regional tourism products.

A visitor information and interpretation centre is currently under development. This is a critical facility for Iqaluit, being the gateway to the Baffin. It will be the starting point for tours in the Iqaluit area as well as to other Baffin communities. It will contain a library/reference area as well as space for community events and entertainment. The facility will serve both tourists and local people. As a result it will present a real opportunity for tourists to experience local contact and culture. This is important as it is one of the more important travel experience attributes that tourists are seeking in their travel to the Baffin. There should also be opportunities to purchase art and local crafts at the centre as well. During the peak travel season there should be ongoing displays as well as demonstrations of printmaking and craft production. Also planned for this area is an upgrading of the Sylvia Grinnell Campground.

Pangnirtung, largely because of Auyuittuq National Park and Kekerton Historical Park has excellent tourism destination development potential.

With the possible exception of hunting, this area contains the most diverse combination of Baffin adventure travel products as well as historic interpretation of Scottish and American Whaling stations. At present Auyuittuq National Park experiences slightly over 600 visitors a year. Visitation could be increased substantially by marketing one of the most unique parks in the Canadian National Parks System.

A visitor interpretive centre has recently opened in Pangnirtung. This centre will be a staging area for tours of the area. It will also provide a much needed facility for tour programming, events and activities such as story telling, art displays and interpretive programs for the area. In addition to the visitor centre, the Auyuittuq Inn is undergoing extensive redevelopment. The lack of quality accommodation was a major constraint for the area.

Also identified in government capital development plans are capital improvements for Kekertan Historical Park such as interpretive signage and visitor resource faci lities.

Priority II

Cape Dorset presents an excellent opportunity for wildlife tours/ Dewey Coper Bird Sanctuary, boat tours and cultural and arts /crafts products. At present the Mal ik Island Historical Site is being deveioped on a theme of early I nuit Art. Initial planning is underway for development of a community campground.

Pond Inlet has the potential to develop as a major destination area. Negotiations are underway with Parks Canada and both the territorial and municipal government for the establishment of a North Baffin Marine National Park. The development of a visitor centre should aiso be considered for the area. Pond Inlet has a diverse range of attractions:

- Historic - Touring Ancient Inuit Campgrounds
- Historic - Salomon Creek Historic Site
- Mountain Scenery
- Bylot Island Bird Sanctuary
- Naturalist Tours
- Fiow Edge Viewing
- Whale Watching/ Boat Tours
- Wildlife Viewing - seals, whales and birds
- Sportfishing/Poiar Bear Hunts

Pond Inlet could also provide an opportunity for development , of a multi-use lodge facility that would serve naturalists, fishing and interpretation tours of the area. By itself, sportfishing presents only a marginal opportunity, target y due to the short length of the season. By developing a multi-use facility it greatly enhances viability. An interesting concept to pursue would be to combine the visitor centre with a lodge facility. This could create an opportunity for a joint public-private venture. It would reduce the risk to the operator and could possibly reduce operating and maintenance costs for the government.

Priority III

The following is a list of proposed project developments for priority 1 I 1 communities:

Lake Harbour	development of a campground development of a geological tour
Clyde River	observation facilities for whale watching air strip development sea kayaking tour campground facilities boat touring
Arctic Bay/ Nanisivik	skiing packages, flow edge tours
Grise Fiord	upgrading glacier tour packages
Resolute Bay	develop petrified forest attraction development of North Ellesmere National Park
Igloolik	archeological sites sportfishing packages canoe trips
Hall Beach	wildlife tours

7.5.4 — Tourism Industry Support

Tourism Awareness Programs

Tourism awareness both within communities and within the Baf-fin tourism industry is needed. This type of course should describe the structure of the industry, its economic significance, the expectations of tourists and the community's role in developing tourism.

Standards and Ratings

Consideration is being given to the establishment of a territorial-wide standards and ratings system for NWT tourist products and services. In particular the Baffin accommodation sector would benefit from the adoption of such a program. It would encourage the industry to upgrade and expand their faci lities to standards more acceptable to tour groups.

7.5.5 — Industry Training

Although this element was not identified under the Canada-NWT Tourism Development Subsidiary Agreement it is a critical component of the Baffin's tourism industry.

The following table was prepared by Tourism and Parks, Baffin region. It projects the demand for guide training over a five year period.

Projected Guide Training Demand
Baffin Region

Course Type	1988/ 1989	1989/ 1990	1990/ 1991	1991/ 1992	1992/ 1993	Total
Level I	35	35	3s	35	35	175
Level II - Big Game	35	•	•	*	*	35
Level II - Field Cook	10	35	35	-	-	80
Level II - Sportsfishing	35	-	-	-	-	35
Level II - Interp/ Natr.	10	35	35	35	35	150
Level II - Alpine Exped.		10	35	35	-	80
Level II - Interp/Genl.			10	35	35	80
Sub Total	125	115	150	140	105	555
Outfitting	20	35	35	-	-	90
TOTAL	135	115	150	140	105	720

• Depending on additional quota's

Source: Tourism and Parks, Baffin Region

It is expected that 30 to 35 new package tours will be offered over the next 3 to 5 years. As outfitting is such as integral part of the Baffin tourism product it will impact on the demand for guiding services. It is forecast that at least six new outfitters will be required to respond to the projected development of new packaged tours. Aside from the growth of current packages, new package tour development could easily increase employment in the Baffin's outfitting enterprises by over 40 persons.

Without training, experienced guiding services will become a real constraint to the future growth of the Baffin's pleasure travel industry. At present the Arctic College is responsible for the development of courses such as guide training and other tourism industry study programs in addition to environmental studies and administrative studies. In addition to course development and deliver y, the Arctic College is also undertaking the development of a labou r force survey and needs analysis of industry training and labour force requirements. This type of information development is critical to projecting industry business rsource requirements and assessing the demand for specific train in g programs.

There is a very real concern in the Baffin, as well as the rest of the NWT, that the development of industry training will not keep pace with demand. At present the Department of Education is responsible for educational course development and delivery in the NWT. Tourism is the second largest employer in the NWT. Given the importance of the industry to the NWT, senior governments may want to consider the development of a Northern Tourism Training and Hospitality Institute. Such an Institute would be specifically concerned with the tourism industry. It would establish NWT standards for training throughout the NWT. It would coordinate the development and delivery of training programs. It would have a separate board composed of industry, government and regional represen tat ives. It would also be responsible for human resource planning in the NW T's industry. It would also negotiate training agreements with both the territorial and federal governments.