

# COMMUNITY TOURISM FOUNDATIONS

## North Vancouver Island Tourism Plan Update Report

July 2011

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TourismBC

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# 1. Implementation of the 2007-08 Regional Tourism Plan

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## 1.1 Introduction

In 2006 the region of North Vancouver Island commenced a tourism planning process through the Tourism BC *Community Tourism Foundations* program. Workshops were held around the Region and the process resulted in the development of a comprehensive *Situation Analysis Report* in May 2007 and a *Regional Tourism Plan* in August 2007. The latter was subsequently updated in June 2008.

The development of this Plan was noteworthy as it marked a new regional approach to developing and marketing Vancouver Island North. Recognizing that the visitor tended to see the Region as a destination rather than a series of individual communities, the tourism stakeholders associated with the communities of Port Hardy, Port McNeill, Alert Bay, Port Alice and the remaining Electoral Areas of the Regional District of Mount Waddington (RDMW) came together to work on the Plan. Establishing a model based on regional coordination became the framework of all the efforts that were to follow.

In May 2011 Tourism BC facilitated a 'revisit' to Vancouver Island North to review progress and establish new priorities. A full-day Workshop was attended by 19 stakeholders representing a cross section of tourism-related businesses, community organizations, local government and First Nations from within the Region. The discussion provided an opportunity to identify areas of progress in destination marketing, product development and tourism management, and to consider factors that may need addressing in moving forward.

Overall, the discussion on implementation of the Plan highlighted the benefits that were gained from this collaborative approach. This document represents a synthesis of the Workshop discussions and is supported by further secondary research.

## 1.2 Reviewing the Operating Context for the Tourism Industry

The operating context for tourism in any destination is dynamic and must be fully assessed in any planning discussion. Time was spent at the outset of the Workshop reviewing key factors affecting both the province overall and Vancouver Island North. The following sub-section provides a summary of this overview.

### 1.2.1 The External Operating Context

#### The importance of tourism to the provincial economy

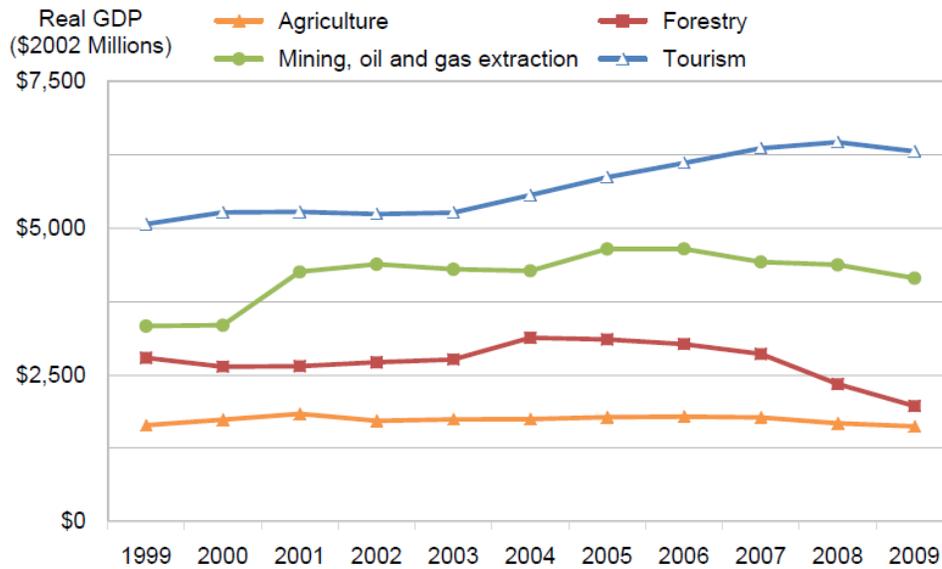
Tourism is a significant component of the BC economy and generated \$12.7 billion in revenue in 2009. While this represents a decrease of 6% on 2008 revenue as a result of factors outlined below, it is a 48% increase over a ten-year period<sup>1</sup>.

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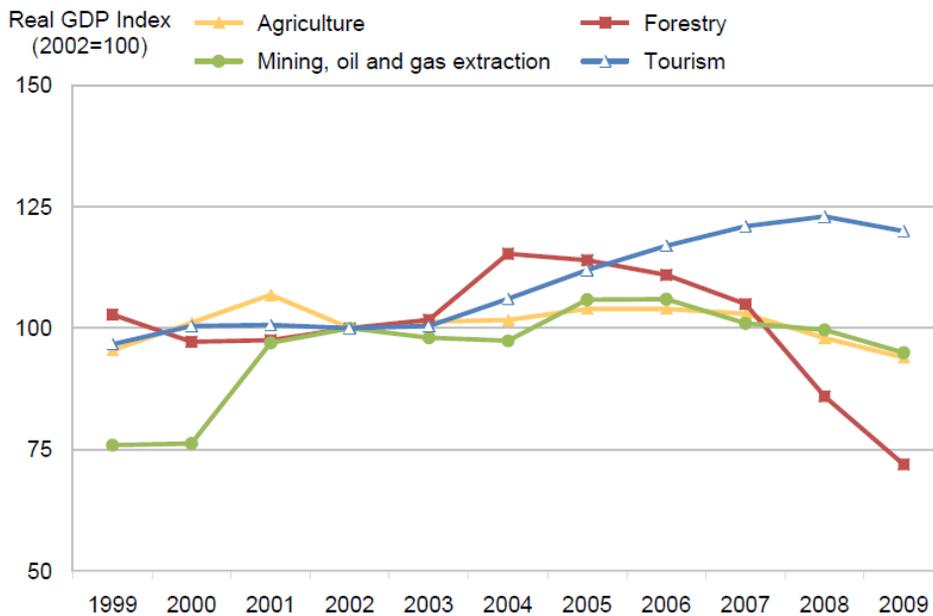
<sup>1</sup> Ministry of Jobs, Tourism & Innovation, April 2011, *The Value of Tourism in British Columbia: Trends from 1999 to 2009*

The importance of tourism to the provincial economy is further illustrated when comparing both real GDP and the GDP Index for tourism to BC's other primary resource industries.

*Real GDP of BC's Primary Resource Industries 1999-2009*



*Comparing Real GDP Index by Primary Resource Industry 1999-2009*



The actual and potential significance of tourism is often under-rated particularly in areas that have had strong resource-based economies. In the case of Vancouver Island North where the Region is seeking to diversify its economy at a time of growing decline in traditional resource industries, the need to plan effectively for tourism and to understand the factors that shape the industry have become more apparent.

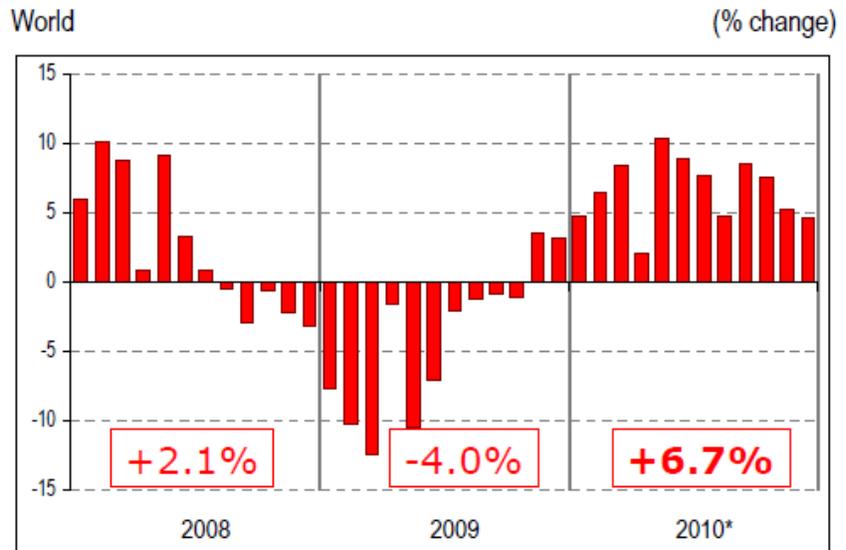
In the period since the Vancouver Island North last underwent a comprehensive tourism planning process, the external operating environment for the industry has been characterized by economic volatility, market changes, political restructuring at the provincial level, enhanced exposure of British Columbia as a destination, and on-going technological innovation. These factors have all had a marked effect on the development, marketing and delivery of tourism in virtually all destinations.

The key external operating factors that are having a direct impact on the local tourism industry are summarized below.

### Economic and Political Factors

- The downturn in tourism arising from the global economic recession of the latter half of 2008 and 2009 had a significant impact on demand throughout the province. However, the resilience of the global industry is clearly illustrated in the UNWTO data<sup>2</sup> with 2010 showing a gradual return to pre-recession arrivals. In British

International Tourist Arrivals, monthly evolution



Source: World Tourism Organization (UNWTO) ©

Columbia the 2010 Winter Olympics played a significant role in strengthening demand, with total international overnight visitor arrivals increasing by 4% and provincial room revenue increasing by 12.8%<sup>3</sup>. However, as was expected, the resurgence in tourism numbers in 2010 was uneven. While room revenue in the Vancouver Coast and Mountains Region rose by 21.5%, the room revenue for Vancouver Island Region actually fell by 1%.

- The US market has dropped substantially throughout BC. This reflects a range of issues including the state of the US economy, security fears, the new passport regulations, rising fuel prices, and the increased strength of the Canadian dollar. US overnight arrivals into BC during 2010 finally showed an increase of 1.9% following a steady decline since 2004. In this period, 2004 through to 2009, US overnight arrivals into BC dropped by 18.5% from 3.56 million to 2.9 million. Whether this downward trend will now begin to reverse, or whether 2010 reflects the more immediate impact of the Olympics remains to be seen<sup>4</sup>.

<sup>2</sup> Kester, John, January 2011, *2010 International Tourism Results and Prospects for 2011*, UNWTO News Conference

<sup>3</sup> Ministry of Tourism, Trade and Investment, February 2011, *Tourism Indicators – Data Tables*

<sup>4</sup> Not surprisingly, given the impact of the Olympics on the US market in 2010, the numbers for US overnight visitors are trending downwards at -7.7% YTD for 2011 (MJTI, June 2011, *Tourism Indicators*). However, when compared to the equivalent period in 2009 the rate of US overnight visitation for the first four months of 2011 is -3.4% down on the first four months of 2009 – suggesting that a level of reversal has yet to be established.

*Competitive Price Index Q1 2011*

- Given the global economic factors, the weakened US economy, rising fuel prices, and increased levels of household debt there is heightened market place sensitivity to price. The competitive price index for US and European travellers to Canada highlights the differential costs associated with visiting BC – a factor that will constrain growth in these markets.

	US	UK	France	Germany
Canada	100	100	100	100
Atlantic	97.8	94.5	92.0	92.1
Ontario/Quebec	95.4	97.8	95.9	97.9
Manitoba/Sask	99.0	97.0	105.6	103.8
Alberta/BC	108.0	105.8	106.8	104.1
United States	68.7	76.2	82.8	81.5

Source: Conference Board of Canada, November 2010, *US & Overseas Travel to Canada: Short-Term Competitive Outlook First Quarter of 2011*, prepared for Canadian Tourism Commission (includes air fares, hotels, meals & other costs)

The introduction of the Harmonized Sales Tax and the corresponding increase in costs to the visitor from the tax has compounded this issue.

- Just as the ‘value gap’ is becoming more of an issue for international markets, research on the domestic market is likewise showing that factors associated with value and the related quality of the experience are increasingly becoming issues for Canadians travelling within Canada<sup>5</sup>. This is paralleled by growing competition from other destinations – (the desire to visit places other than Canada is up 11 points in 2010 and the feeling that other places offer better value is up 8 points). The good news for BC is that this province is the destination Canadians are most likely to visit (ahead by approximately 14 points).
- The volatility of world politics, and the implications on fuel prices and security issues will continue to have repercussions on the tourism industry in BC and should be carefully monitored. In times of uncertainty near-in regional markets become increasingly important and marketing tactics and pricing need to be adjusted accordingly.
- The lower level of confidence associated with recent months has led to changes in trip planning behaviour. The ‘booking window’ has contracted significantly and can be influenced to a much greater extent by ‘special deals’ and ‘last-minute offers’. (This trend is reflected in the popularity of the [Special Offers](#) section of the [www.HelloBC.com](http://www.HelloBC.com) website).
- There is growing interest in BC from the emerging markets in Brazil, India and China. However, while all of these markets may hold considerable potential for the province, substantial effort will be needed to attract these markets to locations outside the ‘Golden Triangle<sup>6</sup>’ in the immediate future.
- The recent integration of Tourism BC into the Ministry of Tourism and the various structural changes to the Ministry itself, together with issues associated with the Harmonized Sales Tax, have all

<sup>5</sup> Canadian Tourism Commission, June 2011, *Global Tourism Watch 2010: Canada Summary Report*

<sup>6</sup> Vancouver, Victoria and Whistler.

contributed to a further degree of uncertainty within local tourism industries. However, with the recent assurances that funding formulas associated with the Additional Hotel Room Tax<sup>7</sup> remain secure, and given the continuity of Tourism BC programs such as *Community Tourism Foundations* and *Community Tourism Opportunities*, it is anticipated that many communities will have renewed energy and direction to build stronger tourism economies. The role of Tourism Vancouver Island as the Regional Destination Management/Marketing Organization (RDMO) in this process is substantial and maintaining a strong partnership with the RDMO is important in moving forward.

## Environmental, Social and Technological Factors

- The global exposure of BC during the 2010 Winter Olympic and Paralympic Games has created a much greater level of awareness of the province as a destination. Communities in turn now need to identify new opportunities to capitalize on this heightened awareness.
- The nature of the tourism experience and the characteristics of the visitor continue to evolve. This is evidenced in a heightened demand for authenticity, quality and memorable experiences, and the growing sophistication of the well-travelled visitor. The Baby-Boom Generation in particular demonstrates these characteristics and has just begun to enter retirement years – a factor that will increase its propensity for travel.
- Interest in adventure tourism and nature-based activity tourism is growing within the Canadian and European markets as ‘adventure travel’ moves from being ‘niche’ to more ‘mainstream’.
- The societal shift to lifestyles of health and sustainability is being reflected in a heightened awareness of the sourcing of food, environmental issues and ethical practices. This is translating into a greater demand for *responsible tourism* among visitors and parallels the Province’s recognition of the need to reduce the carbon footprint of tourism. In the US the acronym LOHAS (lifestyles of health and sustainability) has emerged with an estimated 19% of the US population now considered LOHAS Consumers, with specific interest in goods and services that focus on health, the environment, social justice, personal development and sustainable living. This is regarded as a new premium target group for tourism<sup>8</sup>.
- With the combined interest in authenticity and healthy lifestyles, it is not surprising to note the rapid growth in tourism associated with culinary experiences. In a recent study from the US the findings indicate that 27 million Americans or 17% of American leisure travellers are considering culinary activities as an integral part of their travels, and that they view such experiences as a way to become intimately acquainted with the destination. It was also observed that around 160 million US citizens are interested in enhancing a sightseeing vacationing trip through opportunities such as enrolling in a cooking class, participating in culinary activities, and taking a food tour or visiting a winery<sup>9</sup>. Within

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<sup>7</sup> Now referred to as the Municipal and Regional District Tax (MRDT)

<sup>8</sup> Euro RSCG Worldwide, October 2010, *Exchange Eco-Geo-Sustaino-Tourism* (<http://www.thenewconsumer.com/2010/10/25/eco-geo-sustaino-tourism/>)

<sup>9</sup> Hotel & Resort Insider, *Food Tourism Prospering in USA*. The study was conducted by Edge Research for the Travel Industry Association (TIA) among a representative sample of 2,364 U.S. leisure traveller respondents during summer 2007

the Canadian market, ‘sampling local flavours’ is the number two pursuit identified by travellers (78%), surpassed only by ‘seeing beautiful scenery’ (83%)<sup>10</sup>. Destinations that can successfully combine these experiences will have a clear competitive advantage in the domestic marketplace.

- There has been an increasing trend in travelling with pets. According to the US Travel Association 18% of U.S. adult leisure travellers usually take their pets with them when they travel – a trend initially identified in the *2007 World Travel Market Global Trends Report*.
- The importance of an internet-based marketing and communications strategy has grown exponentially in the past few years. In particular, the influence of social media and mobile applications on travel behaviour has changed dramatically in the last two years and is now a critical factor in trip planning and location-based decision making. IPK International anticipates that holiday tips from friends worldwide, interactive bookings and mobile travel guides at the destination will become the norm in years to come<sup>11</sup>. In the USA approximately 52% of adult leisure travellers use social media. It is estimated that this customer segment is generating \$102.9 billion for the domestic US tourism sector compared to \$69.5 billion from non-social media users (IPK International). In Canada travellers using mobile devices in BC are leading the way in the use of this technology for trip planning.

Through social media, customers have become creators of content rather than simply passive recipients, and associated ‘conversations’ need to be carefully monitored and ‘managed’.

### *Mobile Device Usage*

(Per cent of travellers who use their mobile device for specified activity)

City or Town	Canada	Atlantic	Quebec	Ontario	Man./Sask.	Alberta	B.C.
Researching local activities	27	23	23	25	22	30	37
Accessing Facebook	19	16	17	19	10	21	24
Accommodation arrangements	15	12	13	15	15	16	18
Dining arrangements	14	6	13	15	9	15	18
Event tickets	9	8	8	9	11	11	11
Car rentals	7	5	5	7	5	10	11
Accessing Twitter	4	2	4	5	4	4	4
Other social media	3	2	1	3	5	1	4

Source: The Conference Board of Canada, 2010, *Travel Exclusive: Key Trends for the Canadian Travel Industry*

## **1.2.2 The Local Context and Strategic Accomplishments 2007-2011**

There has been considerable change within the local tourism industry since the completion of the *Regional Tourism Plan* in 2007-08. The following section highlights both the organic change, and specific progress that has been made with the implementation of the *North Vancouver Island Tourism Plan*.

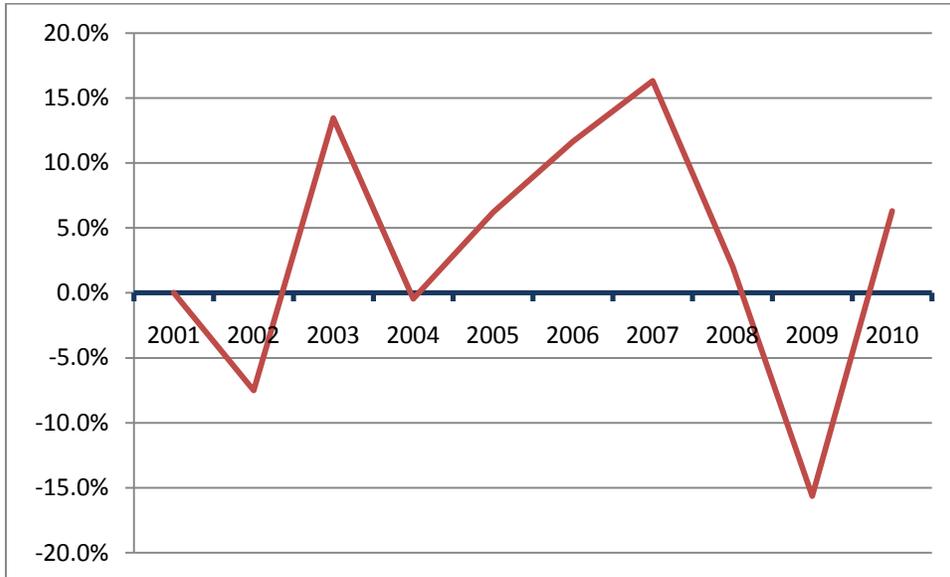
<sup>10</sup> Canadian Tourism Commission, June 2011 *Ibid*

<sup>11</sup> IPK International, December 2010, *ITB World Travel Trends Report 2010/2011*

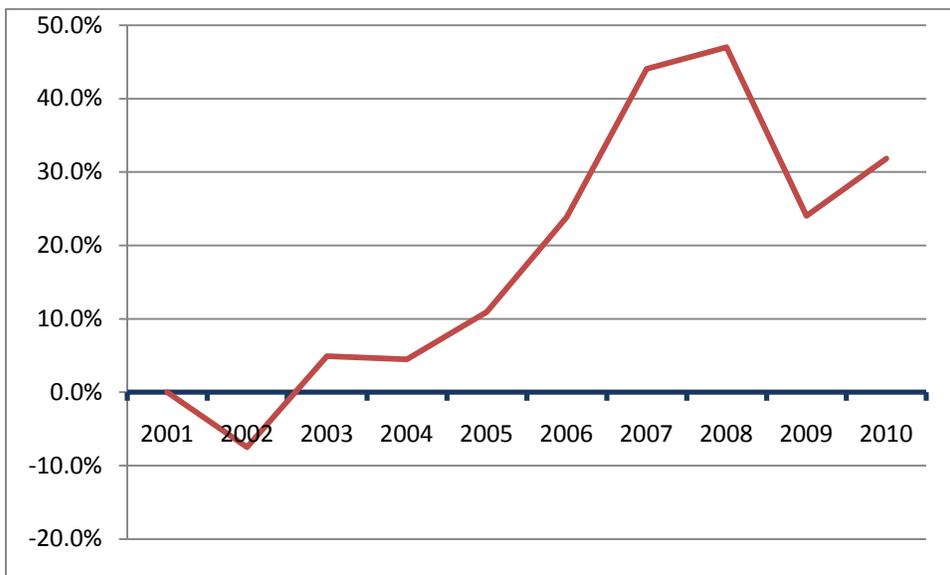
## Overview of Context

- The tourism industry has experienced a significant level of volatility over the past decade.

### *Year over Year Change in Room Revenue for the Region*



### *Change in Room Revenue for the Region Relative to 2001*

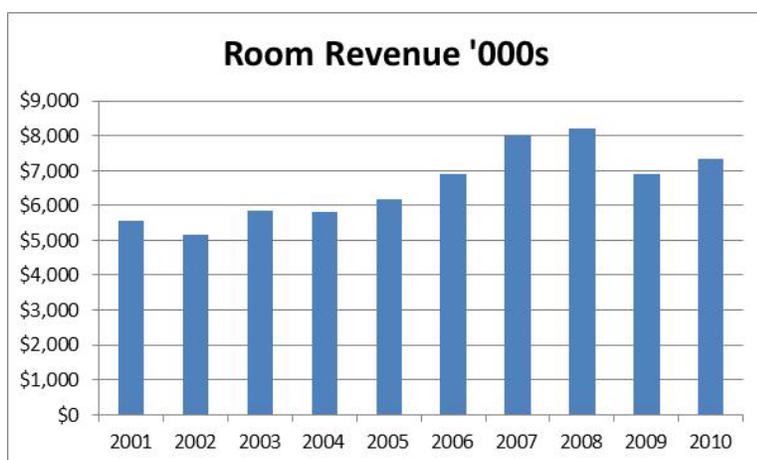


The impact of the 2003-04 international crises (the Iraq war, SARS<sup>12</sup> and a weak global economy) and again the deeper global recession of 2008-09 are pronounced when the trends in room revenue are examined within the Regional District. The fluctuations between growth and decline are clearly depicted in year over year change. Overall total growth in the ten-year period has been almost 32%. However, the past five years have only accounted for 6.4% given the substantial drop in 2009. While

<sup>12</sup> Severe Acute Respiratory Syndrome

these figures highlight the way in which external global events can seriously undermine the local economy, they nevertheless illustrate the resilience of the tourism industry. Furthermore, the inherent risks associated with operating in a global marketplace, particularly in view of the small-scale size of the vast majority of tourism businesses, exemplify the need for a partnership-based approach to supporting the industry. The impact of working in partnership and adopting a regional perspective at a time of crisis were clearly highlighted in 2006-07 following the sinking of the Queen of the North. With serious concerns for the local tourism industry, the implementation of the provincially funded *Go North Island* campaign by Tourism Vancouver Island in 2006 ironically produced a greater level of growth in room revenue than elsewhere in the Island or in the province as a whole.

*Room Revenue Regional District of Mount Waddington 2001-2010*



Similarly, the growth in 2010 room revenue is likely to be a reflection of the new regional approach to marketing. Again it is noteworthy given that it has been accomplished on the ‘heels’ of 18 months of global recession and during the year of the Olympics when most of the growth focused on Vancouver Coast and Mountains Region (+20%), while a number of other regions including

Vancouver Island saw a slight drop.

- The tourism industry in Vancouver Island North has a strong BC market. The Visitor Centre data from Port McNeill and Port Hardy, which by no means represents the visitor profile in its entirety,

	Province Market Share <sup>13</sup> (2009)	Port McNeill 2010	Port Hardy 2010
British Columbia	52%	58.6%	56.8%
Elsewhere Canada	20%	6.2%	8.1%
United States	19%	13.5%	5.7%
Europe	4%	20.2%	26.9%
Asia/Australia	4%	1.3%	2%

indicates that the second geographic market is the European market. This is distinctly different to the province as a whole where European visitors account for only 4% of the total.

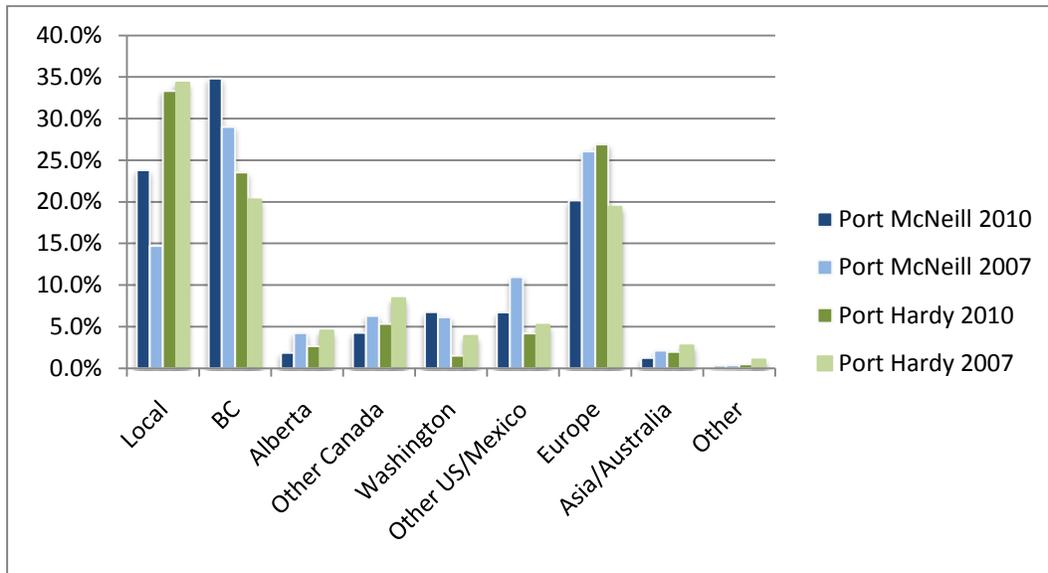
Furthermore, based on anecdotal discussion from the Workshop, it would appear that

the level of media awareness of Vancouver Island North has increased and that interest from close-in markets has grown with an increase in ‘regional’ visitors. This increase in local visitors can be seen in

<sup>13</sup> Ministry of Jobs, Tourism & Innovation, April 2011, *The Value of Tourism in British Columbia: Trends from 1999 to 2009*

the following exhibit – again based on data from the Visitor Centres where, in this case 2010 is compared to 2007.

*Port McNeill and Port Hardy Visitor Centre Data – Markets of Origin 2010 and 2007*



- As traditional resource industries have declined and the Region has experienced associated job losses and population decline, there has been a committed effort toward facilitating economic transition from resource-based rural communities into a more self-sustaining regional economy<sup>14</sup>. Efforts have focused on looking at the labour implications of making this transition, including the training required to meet the new demands associated with tourism. In addition, research on the marine economy<sup>15</sup> has been undertaken to demonstrate the linkages between the economic livelihoods of people, businesses and communities to the marine environment. It is estimated that the marine industries in total generate \$48 million in terms of wages and benefits, of which 27% (\$13 million) can be attributed to marine recreation and sport fishing. Work of this nature is of significant value in highlighting the economic value of tourism, and while this is only one element of the industry, it nevertheless demonstrates the way in which the regional economy is diversifying and the need to support and facilitate the further growth of the sector.
- The integration of tourism into the broader function of economic development as delivered by the Regional District is a model that is to be supported as it provides a basis for developing tourism from a holistic perspective. The Regional District has established six distinct regional goals for economic development<sup>16</sup>. Efforts to strengthen tourism as recommended in this report and the implementation of the RDMW's goals is likely to be a two-way process where mutual interests and objectives are achieved.

<sup>14</sup> Human Capital Strategies, June 2010, *A North Island Coordinated Workforce Strategy: Supporting Economic and Employment Growth in the Mount Waddington Region*

<sup>15</sup> GSGislason & Associates Ltd., March 2011, *The Marine Economy & the Regional District of Mt. Waddington in BC*

<sup>16</sup> See Regional District of Mount Waddington, March 2011, *Economic Development Commission Strategic and Operational Business Plan 2011-2012*

- The inclusion of the regional parks and recreation mandate within this broader economic development portfolio ensures that there is a further opportunity for looking at tourism in an integrated manner. This Regional District role provides a context for the consideration and management of resource-based issues associated with public sector outdoor recreation – a key component of the Region’s product offering.
- The working relations between First Nations and local governments within Vancouver Island North have been significantly enhanced since the completion of the first Tourism Plan. The signing of the *Memorandum of Understanding: North Island Protocol Agreement* in March 2010 has established a cooperative framework for bi-lateral and multi-party discussions and agreements on issues of mutual interest or concern. The underlying principles of cooperation and respect and the benefit to be gained from collaboration were particularly evident in the Workshop discussions.
- A strong commitment on the part of all partners involved in the implementation of the Tourism Plan. As the following sub-section highlights, the key elements of the Plan have largely been implemented in various formats – a level of accomplishment that reflects the effort of individual partners and the overall philosophical shift toward a model based on regionalization. The latter in itself is undoubtedly the preeminent achievement and will remain the cornerstone to success in moving forward.

### **Organizational Restructuring and Tourism Management**

The primary objective of the *2007-08 Regional Tourism Plan* was to facilitate a regional approach to the development of tourism in Vancouver Island North. This was to be achieved through:

- *Creating a regional and representative tourism structure that will lead to improved communication and more effective promotion and management of the tourism industry; and*
- *Establishing a sustainable funding structure for regional tourism that includes long term contributions and commitment from all key partners both private and public.*

As the accomplishments below illustrate, much has been achieved with regard to building a sustainable regional model that will oversee the direction and growth of tourism. Indeed when the ‘scores’ in the summary table are reviewed on page 19, it can be seen that this is an area where stakeholders are clearly aware and appreciative of the level of progress and change.

### ***Strategic Accomplishments 2007-2011***

- The establishment of the Vancouver Island North Tourism Advisory Committee (VINTAC) to oversee the operation of Vancouver Island North Tourism (VINT). Currently there are 20 members that act in an advisory capacity on behalf of the Regional District of Mount Waddington. The Regional District has identified the Committee’s key role as one of advising the Economic Development Commission on annual planning strategies and emergent issues of program governance. Under the Regional

District's draft terms of reference<sup>17</sup>, the Committee's membership could potentially be as many as 27 if all identified positions were filled.

- The establishment of Vancouver Island North Tourism as a function of the Regional District with Tourism Vancouver Island contracted as the service provider. The day to day operations and the implementation of annual business plans of Vancouver Island North Tourism are undertaken by a recently appointed Tourism Coordinator.
- The ability to gain leverage from the unique relationship with Tourism Vancouver Island. The underlying model was regarded as innovative and an example of best practice within the Ministry as it brings significant marketing expertise and industry intelligence to a sub-regional situation – an advantage that would not otherwise occur in the event of a stand-alone position.
- The further implementation of the 2% Additional Hotel Room Tax/Municipal and Regional District Tax (MRDT) in all jurisdictions within the Regional District<sup>18</sup> and the development of a regional funding model based on Memoranda of Understanding between three municipalities and the Regional District. Considerable effort lay behind this achievement which was all the more significant when it became apparent that pledged seed funding from the Island Coastal Economic Trust and the Coast Sustainability Trust was dependent on this tax being put in place. The ability to subsequently use these funds to effectively leverage revenue contributions from regional stakeholders for cooperative marketing that surpassed all initial estimates not only demonstrates the industry's commitment to the regional marketing approach, but it also shows significant success on both the part of Tourism Vancouver Island as service provider and the individual efforts of the Tourism Coordinator, and the potential longer-term financial viability of the regional model.
- Tracking systems have been put in place to monitor the uptake of all Vancouver Island North marketing initiatives and to assess the impact of marketing activities through the 2% MRDT statistics. In view of the fact that the MRDT is collected by four local governments (RDMW, Port Hardy, Port McNeill and Alert Bay), it is now possible to track accommodation revenue by month and analyse trends – a task that the Regional District has taken on<sup>19</sup>.

### *Issues and Areas of Concern*

While much has been achieved and the framework is in place for on-going consolidation, there are inherent weaknesses that will need to be addressed. These weaknesses are largely a reflection of the embryonic state of the overall organizational structure – as the delivery model evolves and roles and responsibilities are further clarified, it is likely that these issues will be resolved over time.

The key issues are as follows:

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<sup>17</sup> Regional District of Mount Waddington Economic Development commission, March 2010, *Vancouver Island North Tourism Advisory committee (Draft) Terms of Reference*

<sup>18</sup> The 2% AHRT/MRDT was already in place in Port Hardy

<sup>19</sup> Regional District of Mount Waddington, June 2011, *Vancouver Island North Tourism: Progress Report to December 31<sup>st</sup> 2010*

- The current organizational structure will need to be further assessed, as is the intent of the Regional District. Fundamental to a strong tourism industry is a well-defined public-private partnership that is carefully nurtured to maintain a balance of interests that will guarantee the appropriate nature and level of tourism growth. The public sector has a key role to play in identifying values and aspirations of the destination and in providing the necessary enabling environment that will encourage the growth of tourism. This will take the form of supportive land-use/tenure policies and local taxation and incentive-based processes; recognition of and support for tourism as economic development; proactive local land-use planning that will protect and enhance the 'sense of place'; recreation resource management policies and investment in community infrastructure and aesthetics that will enrich the visitor experience; commitment to enabling the effective delivery of local visitor services; and, recognition and promotion of the fundamental value of tourism to the economy. Within this supportive context, the private sector is in a strengthened position to develop a quality product and to work effectively with all partners to advise on the direction of tourism growth.

With the existing structure the Vancouver Island North Tourism Advisory Committee, as an appointed Committee of the Regional District, has the role of advising the Regional District on tourism matters. Tourism Vancouver Island as the contracted service provider is responsible for interpreting the Committee's directions and preparing the provisional plans and budgets. These in turn are approved by the Regional District Economic Development Commission. While it could be argued that this ensures the necessary framework for accountability, the existing structure has the potential for local politics to inadvertently play a stronger role than would be recommended in developing a strong competitive destination.

- In a similar manner the role of the Tourism Coordinator is potentially a dichotomous role with blurred lines of reporting. There has been no discussion on this matter – this comment is based on the writer's assessment of the strengths and weaknesses of the existing model from a theoretical perspective<sup>20</sup>.
- The size of the Committee (up to 27 members) is further cause for concern. While the recommended composition is based on an attempt to be equitable through giving representation to all political and private sector interests, it is likely to be cumbersome and therefore less effective in its regular deliberations. In analysing this membership model, the emphasis on representing all political entities and relevant community organizations within the Region has the potential to outweigh the importance of attracting strong tourism business leaders.
- The draft Terms of Reference for the Committee outlines the mandate of the Committee. Key objectives include advising the EDC on Vancouver Island North Tourism's annual planning strategies and ensuring that the business and operational plans reflect regional and community priorities and the input of the Committee. What is less clear however, is the overall scope of the Committee with regard to tourism development and infrastructural issues and the mechanisms for implementation.

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<sup>20</sup> Example: VINTAC, as a RDMW committee, have the specific power to ask the Tourism Coordinator, in conjunction with the Economic Development Commission, to prepare proposals for funding that can be submitted by RDMW for grant aid (AGENDA for the Regional Economic Development Commission meeting held on Tuesday October 19<sup>th</sup> 2010, the Regional District office in Port McNeill).

Clearly the Committee is well-positioned to look at tourism from all perspectives and dialogue of this nature should be encouraged. Furthermore, given that the underlying model is one of partnership and that tourism development is invariably a multi-partner/multi-jurisdictional role, the Committee can potentially play a key role in making recommendations for a range of partners on matters relating to tourism development. The Regional District, as the local government organization that has taken the lead in consolidating the implementation of the Plan, is well structured to consider tourism as an integrated component of economic development and to look at outdoor recreational resource management issues in the context of tourism.

- The Province's process for implementing the 2% MRDT has inherent challenges associated with the rural areas of BC. These vary from a lack of a formal 'policing' system to ensure that all seemingly eligible properties are collecting the tax, to the issue of retained monthly administrative fees for properties that are closed in the winter months. These issues are not unique to Vancouver Island North, but to date there is no Provincial policy to address these concerns.
- Stakeholder leveraging is a key component of the funding model. Maintaining and growing these contributions will require developing procedures that can measure 'return-on-investment'. Currently monitoring focuses on accommodation revenue and while this will be affected by marketing activities, there is a need to establish further processes that can measure market awareness and the impact of specific campaigns<sup>21</sup>.
- The monitoring of the 2% MRDT continues to highlight the seasonal nature of accommodation demand within the Region. This issue of seasonality reflects both the nature of visitor travel to the Region, and to a lesser extent demand associated with work crews and other resource industries. This challenge is widespread within BC.

## **Product Development and Community Infrastructure**

The initial *2007-08 Regional Tourism Plan* looked at tourism from multiple perspectives and identified various objectives that would strengthen the tourism industry and the visitor experience. These ranged from the up-grading of accommodations and the improvement of transportation infrastructure to the identification of nature-based projects that would benefit the entire Region. Implicit to all of these initiatives is the role that a range of stakeholders would play in building tourism product – from local governments and First Nations to the private sector and not-for-profit organizations.

Once again the Workshop discussions highlighted a significant level of progress and a strong sense of accomplishment. The following initiatives and areas of achievement were noted from both the Workshop feedback and subsequent desk research.

### ***Strategic Accomplishments 2007-2011***

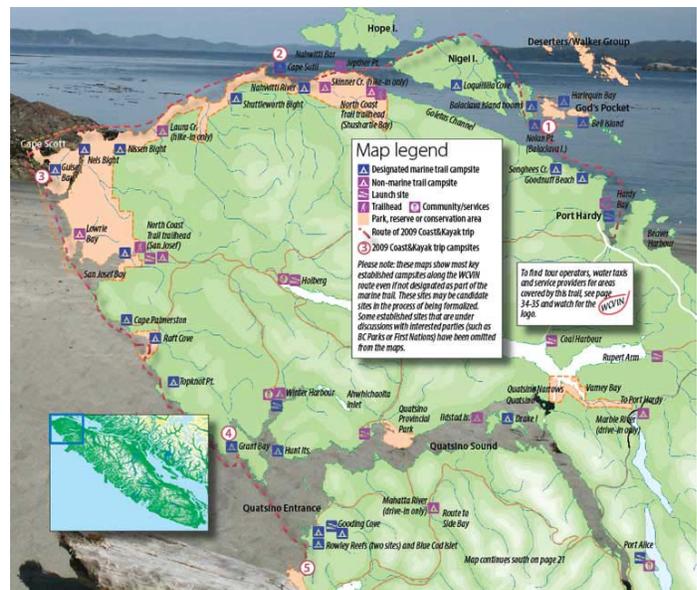
- The work of the Northern Vancouver Island Salmonid Enhancement Association in the development of the \$1.4 million multi-purpose Quatse Salmon Stewardship Centre and the recent completion of

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<sup>21</sup> This issue was identified in both the Workshop and the Regional District's Progress Report (June 2011)

its interpretive gallery. This facility has enhanced both local educational programming and the Region’s tourism infrastructure. The project attracted capital funding and in-kind support from a wide range of organizations and is set to develop further through on-going improvements such as the native plant garden and the upgrades to the Quatse River Regional Park and Campground. In recognition of the way in which the facility has heightened the competitiveness of Vancouver Island, the Association was awarded Tourism Vancouver Island’s 2010 *Raising the Bar Award*. Moreover, the Centre strengthens the Region’s association with ecotourism and delivers a strong message on environmental stewardship – a theme that is in keeping with promoting the destination as a *paradise of natural splendour*.

- In May 2011 the West Coast Vancouver Island North Marine Trail officially opened as part of an ambitious project that will ultimately connect the northernmost coastline near Alaska to the Washington State border. At its completion, the marine trail network will be the longest water trail known, attracting paddlers from B.C., the rest of Canada, U.S.A. and around the world<sup>22</sup>. While the long-distance trail concept has been discussed for many years, it is the work of the BC Marine Trails Network Association (BCMNTA), formed in 2007, that spearheaded the efforts in Vancouver Island North. The process has involved volunteers from various paddling clubs identifying potential access and camping sites, assessing them, working with all levels of government, and consulting with First Nations interests to realize the goal of developing the West Coast Vancouver Island North Marine Trail. This section of the trail has 74 access/launch and camping sites and, together with the South Gulf Islands trails, represents the first phase of the entire BC Marine Trail.
- Substantial work has been undertaken on the development and maintenance of trails within the Region and on related signage. Much of this was facilitated through funding (approximately \$0.5 million) from the Job Opportunities Program and Island Coastal Economic Trust. The program focused on three projects – the San Josef Bay Trail in Cape Scott Provincial Park, the Alice Loop as the first phase in the creation of a recreational corridor between Port McNeill and Port Alice, and the first phase of a recreational corridor that is designed to run from Port McNeill and the Kwakiutl First Nation’s Cluxewe Resort to both Malcolm Island (Sointula) and Cormorant Island (Alert Bay). In addition, the program enabled repair work to be carried out at a number of other recreational sites, locally recognized landscape features and cave areas. This work, together with the completion of the North Coast Trail in 2007-08, further



<sup>22</sup> May 2011, “Marine trail to improve Island tourism”, *Nanaimo News Bulletin*

positions this Region as a unique destination for accessible and highly distinctive wilderness experiences.

- The Regional District is in a very strong position to continue to capitalize on the work that has already been completed on trails through the undertaking the *Coordinated Outdoor Recreation Resource Initiative*<sup>23</sup>. This work in effect is a plan that, if fully implemented, would continue to maximize the value of the Region's outdoor recreation resources. The work focused on developing an outdoor recreation facility inventory and preparing twenty "shovel ready" projects and underlying rationale in readiness for future funding opportunities. The work elevates the value of outdoor recreation infrastructure to the tourism industry and encourages the need for effective partnerships between local governments, First Nations, licensees, BC Hydro, the Ministry of Tourism, and BC Parks in exploring cost-effective maintenance programs.
- The Rural Tourism Action Grant has been established by the Regional District for 50% funding on small-scale tourism projects in Electoral Areas A, B, C, D and the Village of Port Alice. This funding represents the local portion of the 2% MRDT – now amounting to 20% of the total tax collected within these jurisdictions. An equivalent level of tax funding is available for tourism development and promotion in Port Hardy, Port McNeill and Alert Bay.
- The Workshop indicated an increase in fixed-roof accommodations. Plans to further expand the bed-base were noted in Port Alice with the proposed 100 unit hotel and timeshare properties.
- The Region has seen significant community infrastructural/revitalization projects that have enhanced both the residents' well-being and the visitor experience. Examples include the Alert Bay waterfront improvement project, the \$7.8M waterfront development project at Port McNeill, upgrades to the seine float and adjacent area in Port Hardy, and the provision of regularly scheduled, public transit around the region through the start-up of the Mount Waddington Transit service.
- Vancouver Island North continues to be recognized for its Aboriginal cultural tourism product. The Workshop highlighted a greater level of interaction and respect between Aboriginal and non-Aboriginal partners in the development and delivery of visitor experiences. The work of the U'Mista Cultural Society and its impact on the tourism industry continues to be the most prominent in the Region with its overall objective of ensuring the survival of all aspects of the cultural heritage of the Kwakwaka'wakw, its commitment to delivering unique and authentic experiences, and its focus on building capacity<sup>24</sup>. In addition to the strong product offering associated with Alert Bay, other First Nations are working with partners such as the BC Marine Trails Network Association to develop appropriate experiences and identify new opportunities. The activities of the Economic Development Officer for the Gwa`sala-`Nakwaxda`xw Nations and its individual members illustrates this focus and the growing synergy that is being created through cooperative discussions.

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<sup>23</sup> Prepared by Strategic, July 2009

<sup>24</sup> U'Mista Cultural Society, May 2011, *Tourism Planning Initiative for Clayoquot and Barkley Sound*, Ahp-cii-uk Community Society AtBC Forum

- Arts and cultural tourism product has been furthered strengthened through the efforts of not-for-profit organizations. The Gate House Theatre Association has facilitated the reopening of the Theatre in Port McNeill, and is now seeking to use the theatre to promote a greater appreciation of the arts in general within the Region. Efforts are underway to work with the North Island Concert Society to bring a number of the annual concert season events from Port Hardy to Port McNeill. This will create new opportunities for local residents, while simultaneously developing new product for visitors. The inaugural Tri-Port Music Festival this year likewise reflects the strengthening of this sector as a supporting niche sector to the Region's key nature-based product.

### *Issues and Areas of Concern*

While there has been significant progress in product development, the Workshop identified a number of concerns that potentially weaken the overall visitor experience or constrain on-going efforts to strengthen the overall product base.

- A number of comments reflected various perspectives on a common theme – insufficient breadth of product to encourage an extended length of stay for different markets. The following points reflect these perspectives:
  - Short-stay visitors that are connecting with the ferry and travelling north comment on the lack of 'filler' activities. Equally, for visitors coming off the ferry and moving south, there continues to be a need to provide a compelling reason for stopping or extending their length of stay. The extent to which this is a real or perceived issue, or whether it is one of awareness building needs to be assessed.
  - The cost of activities for families remains a deterrent for many in this market segment. However, pricing unique experiences, such as whale-watching, to fall within lower budgets is an unrealistic expectation. Rather, what is required is the development and promotion of alternative experiences at a lower price-point if the destination as a whole is seeking to build on the budget-family market.
  - An overall lack of industrial heritage and forestry related opportunities.
- Customer service fails to give the Region a competitive edge. While there will be clear exceptions, there is concern that customer service is mediocre and is certainly not a persuasive factor in encouraging an extended length of stay.
- Seasonality remains a key issue. While marketing may be able to address this to some extent, the problem reflects the perceived seasonal nature of the destination experience and the absence of a clearly defined marketable winter product.
- When looking at product development from a potential investor's perspective, the following issues were identified:
  - The absence of a web portal that is directed to this type of audience.

- Insufficient information available on visitor numbers and overall value of tourism within the regional economy.
- The lack of security with regard to operating areas on Crown land.
- The level of general bureaucratic red-tape and permitting requirements.
- Given the Region's focus on land- and marine-based ecotourism, there is particular concern regarding the relatively low level of appreciation for the environment and its intrinsic value to the overall visitor experience. This is a common issue in resource-based areas that are transitioning to a more diversified economy and one where tourism plays an increasing role.

## Tourism Marketing

As in the other areas of implementation of the *2007-08 Regional Tourism Plan*, the Workshop discussions and the secondary research demonstrate that much has been achieved to date. The most significant accomplishment has been the regionalization of marketing and the commitment to market the north collectively as a single destination. A summary of the key achievements includes the following<sup>25</sup>:

### *Strategic Accomplishments 2007-2011*

- The development of a regional tourism brand for Vancouver Island North. The value of this has been enhanced through high definition B-roll filming and the purchasing of new images for an image bank.
- The development of a regional website, regional Visitor Guide, a Visitors' Map, and a regional video.
- The implementation of cooperative regional tourism campaign (*Go North Island*) based on a mix of print, radio, and contesting. Since the first campaign in 2009, further cooperative promotional activity has been undertaken targeting the near-in regional market – particularly Victoria.
- Participation in Tourism Vancouver Island's Vacation Guide and Outdoor Guide, the Van Dop Arts & Culture Guide, and Go Camping BC publication.
- The development of a media kit and the hosting of media familiarization tours in partnership with Tourism Vancouver Island.
- The hosting of travel trade operators and the partnership approach to developing 'presence' at shows such as Rendez-Vous Canada through working with Tourism Vancouver Island and Tourism BC.
- Featuring of B-roll footage in the TSN Lumberjacks series and multiple airings.
- Participation at the Vancouver Island Outdoor Expo consumer show in Victoria, the Calgary Home & Garden Show, and the BC Home & Garden Show in Vancouver
- Editorial and advertising in select print media such as *Coast & Kayak* magazine.



<sup>25</sup> For more specific detail refer to Regional District of Mount Waddington, June 2011, *Vancouver Island North: Progress Report to December 31<sup>st</sup>*.

- Promotional presence at Comox Airport and dialogue initiating presence at the new Vancouver Island Coast Discovery Centre.
- Increasing use of internet, social media and on-going emphasis on search optimization.
- Development of annual marketing plans and associated marketing calendar for stakeholders. The proposed marketing tactics for the coming year amount to a total of almost \$195,000 based on a 54% stakeholder contribution.

Collectively this work has accomplished much in strengthening the Region's positioning as a destination for wilderness marine and land-based experiences that are relatively accessible. Key to the success of the regional marketing focus has been the appointment of the regional tourism coordinator. Through this position it has been possible to 'sell' the regional vision and to get buy-in for implementing a coordinated approach.

### *Issues and Areas of Concern*

- The data from Port McNeill and Port Hardy Visitor Centres demonstrate the importance of the local and BC markets and highlight the value of continuing to target these markets in the 2011 marketing plan. However, while it is recognized that this data may not be entirely representative of the cross-section of markets, it nevertheless indicates that the European market is a key market of origin and one that needs to be considered in the marketing activities.
- In the facilitator's opinion, there is a level of unease in the relations between the Regional District and Tourism Vancouver Island as the contractor service provider. This is potentially concerning as evidence from rural communities in BC is increasingly demonstrating the value of strong vertical relations in the tourism industry. Tourism Vancouver Island as the representative of Tourism BC is in a very strong position to assist the Region in a broad range of marketing activities and can provide market intelligence and a level of support that is not feasible in conventional situations with local destination marketing organizations. This was the implicit competitive advantage of the organizational model in its original concept and needs to still be highlighted as such.
- Maintaining and strengthening a sustainable funding model for regional tourism marketing will remain a key challenge, particularly upon completion of the ICET and CST seed money phase.

### **Summary of Progress**

Workshop attendees reviewed the key activity areas of the *2007-08 Regional Tourism Plan* and rated the level of progress that had been made. The 'scoring' ranges from 0 for 'significant deterioration' to 10 for 'significant improvement', with 5 representing 'no change'. The results are entirely subjective and not based on firm criteria. Nevertheless they represent an interesting measure of perceived change and clearly highlight those areas where significant progress has been made.

**“How has the industry changed in the last 5 years?” – a summary of progress**

<p>Accommodation              Quantity – 6              Quality – 4          Camping – 5 (some new facilities; others have deteriorated)          Nature-based activities              Recreational fishing – 3              Hiking – 8          Cultural experiences – 6 (no increased product)          Visitor amenity spaces – 7          Length of stay – 6          Greening of the industry – 6.5 (independent operators are more aware)</p>	<p>Packaging – 6 (needs to include hotels)          Support infrastructure              Internal transit system – 7/8              Getting people to the Region – 5          Investment promotion – 5          Research – 6          Organizational structure – 9          Building of partnerships – 9          Funding – 8          Marketing – 8          Visitor services – 7          Local understanding / appreciation of tourism – 5          (has resulted in more local traffic to Alert Bay)</p>
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## 2. Strategic Priorities 2011-2013

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The **Vision** for the tourism industry remains as stated in the initial plan:

*To create an accessible and attractive year round destination, with world class tourism experiences highlighting the region's natural and cultural resources through quality tourism products and services.*

*Tourism will be supported by the local municipalities, industry operators, First Nations and managed through a sustainable structure that collectively promotes the North Vancouver Island region for the benefit of all.*

### *The Strategic Goal*

The strategic goal for Vancouver Island North is to increase room revenue by an average of 4% per annum over the next three years, assuming that there are no major uncontrollable global factors or regional crises that would substantially offset the current economic environment.

### 2.1 Establishing Priorities

The Workshop provided an opportunity for the participants to collectively agree on the strategic priorities for the coming 24 to 36 months. The priorities that were identified are as follows:

1. Continue to build a strong, unified organizational structure and maintain efforts to strengthen the partnership-based approach to supporting the growth and development of tourism;
2. Consolidate the positioning of Vancouver Island North as an accessible and pristine wilderness with supportive cultural visitor experiences using a variety of marketing tactics;
3. Develop a more comprehensive appreciation of the size and impact of tourism on the local economy through an industry-wide commitment to sharing appropriate data;
4. Promote an understanding that the product offer is the core of the destination in a way that inspires improved customer service and the development of new product and enhancement of existing experiences; and
5. Promote a widespread commitment to protecting the underlying resource-base and landscape values of the Region and to strengthening the environmental sustainability of the industry.

#### Priority 1

***Continue to develop a strong, unified organizational structure and maintain efforts to strengthen the partnership-based approach to supporting the growth and development of tourism***

Building Vancouver Island North as a competitive destination and implementing an on-going sustainable growth strategy is ultimately a shared responsibility between local governments and First Nations, tourism operators, Vancouver Island North Tourism and VINTAC, community organizations with a tourism role, and industry partners. Developing a cohesive and effective partnership-based approach to

overseeing the direction of tourism growth and ensuring that roles are clearly defined will enhance current momentum and contribute to a greater level of synergy.

### *Tactics*

1. The Regional District is committed to reviewing the Vancouver Island North Tourism delivery model and has requested Tourism Vancouver Island to make recommendations in 2011. Given the areas of concern that have been identified in the previous Section, it is the facilitators opinion that this is an opportunity to give consideration to:
  - The size and composition of VINTAC – a reduction in the size of the core committee and a stronger focus on tourism operators will assist in creating a ‘think-tank’ that can be very focused on identifying ‘growth’ strategies.
  - The underlying governance model. If the current model remains in place, there is a need to reduce the level of contractor reporting and management of activities. An analysis of Regional District Economic Development Commission agendas and minutes demonstrates reporting detail that is beyond conventional practices when working with a contractor. Ultimately the contractor should be assessed on meeting agreed upon measurable objectives and maintaining a balanced budget.
  - The establishment of a legal entity that is based on clearly defined partnership principles as an alternative governance model. In this way interest ‘clusters’ retain representation and involvement in strategic discussions, but decision-making becomes more stream-lined and has less likelihood of becoming ‘political’. Under this scenario Vancouver Island North Tourism becomes the regional destination marketing and management organization (DMO) with the Committee taking on the role of a Board of Directors. This in turn will simplify the current accountability structure. Mechanisms can be put in place to give funding partners the ability to retain a level of accountability for utilization of associated funds without unduly influencing strategic direction.
2. Define and maintain a clear understanding of the roles of the various partners in developing the tourism industry and building its value as a critical part of the regional economy. No matter what governance model is utilized in establishing the lead tourism organization, there must be an underlying appreciation that there are multiple roles and responsibilities involved in strengthening tourism and no DMO can perform all of these. Rather, the key functions of a partnership-based DMO is to identify strategic priorities, work with and/or support appropriate partners in the implementation of particular strategies, and assume responsibility for implementing those tasks for which it has a direct and clear mandate and necessary skill-set.
3. Continue to explore new funding opportunities and be well positioned to capitalize on these. The Regional District EDC has adopted this strategy with regard to its coordinated outdoor recreation resource initiative and is ready to move forward on a series of projects if and when funding becomes available. Moreover, the underlying rationale within the planning document assists in building the necessary business case.

- One particular opportunity that should be reviewed as a matter of priority is the Rural Secretariat's new *Community Development Program*. In determining who takes the lead in pursuing this type of funding, careful consideration should be given to the parameters and overall objectives of the project. With this program's underlying emphasis on partnerships and rural issues, the ability to demonstrate strength in a partnership model that has both horizontal and vertical linkages will be beneficial.
4. The Workshop clearly extolled the work that has been done in building stronger relations with the First Nations communities. These efforts need to be further supported in a tangible and genuine manner, recognizing that each First Nation is at a different level of economic development.
    - Host a workshop that will develop further understanding of appropriate protocols. Building respect and trust, and creating opportunity for on-going open dialogue is essential in strengthening working relations and in identifying opportunities for product development or enhancement based on local Aboriginal culture.
    - Consider establishing a working committee that focuses on Aboriginal cultural tourism development and includes appropriate players from each First Nation. Whether one considers the current structure of VINTAC or a downsized version, in-depth and regular discussion of opportunities to develop Aboriginal tourism will be limited. Ideally this committee would report to VINTAC, which in turn would have the capacity to assist in moving forward with or supporting recommendations.
  5. Continue to use a variety of tools (social media, e-newsletters, corporate pages on the website) to communicate with stakeholders. This will assist in building a stronger sense of 'community' and partnership and will add further relevance to VINT as a lead tourism organization.

## Priority 2

### ***Consolidate the positioning of Vancouver Island North as an accessible and pristine wilderness with supportive cultural visitor experiences using a variety of marketing tactics***

A detailed marketing plan is in place for the coming year. With the current role of Tourism Vancouver Island as the contractor acting on behalf of the Regional District and the work of a dedicated tourism coordinator, there has been a strong focus on marketing Vancouver Island North as a Region. The destination is being positioned as an accessible and pristine wilderness with an array of marine and land-based experiences and supportive cultural product, including Aboriginal visitor experiences. The marketing activities have encouraged a cooperative approach and North Vancouver Island Tourism has been able to leverage its core funds substantially.

1. Continue to refine this positioning in a way that resonates with the target markets and reflects the products on offer.
  - The Workshop highlighted the following attributes for the near-in markets:
    - Pristine scenery
    - Easy access to marine and terrestrial wildlife

- Rustic charm
- Outdoor adventure mecca
- Cross-roads of adventure, wilderness and First Nations culture
- Relaxed 'island life'/family atmosphere
- Saltwater fishing – best on the Island
- Friendly people
- Proximity to Alberta via Comox

Attributes for the longer-haul markets included:

- Close to the Great Bear Rainforest
  - Wildlife, First Nations
  - Hiking, kayaking, fishing, surfing
  - Vastness / greenness
  - Unique experiences
  - No traffic, no crowds
2. Ensure all [www.hellobc.com](http://www.hellobc.com) marketing opportunities are fully realized, including the HelloBC Listings Program, and its blogs and special offers programs<sup>26</sup>.
  3. Review the Canadian Tourism Commission's Explorer Quotient™ program. Recognizing that this provides the framework for how Canada is presented to its international markets, assess the underlying tone of the market messaging and the extent to which it will 'connect' with different EQ types.
    - Work with operators that would meet the criteria of CTC's *Signature Experiences* program to ensure that they are featured in the program<sup>27</sup>.
  4. Undertake further research with stakeholders to substantiate the apparent strength of the European market. Assuming that approximately 20% of the current market is originating from Europe, review the existing tactics and identify ways of supporting and maintaining this market share.
    - Working in close partnership with Tourism Vancouver Island and Tourism BC to attract appropriate travel media and travel trade, particularly the former, is likely to be the most fruitful ways of positioning the Region as a preferred destination for select European markets.
    - Consider developing multi-lingual versions of the Vancouver Island North web-site with the relevant European markets in mind.
  5. Explore the use of contests to build repeat traffic to the VINT website and use the contests to highlight key experiences and strengthen overall positioning. Contests can be of particular value if they are in place during VINT's involvement at consumer shows as a means of encouraging 'further conversation' with the consumer.

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<sup>26</sup> <https://www.tourismbc.net/dms/secure/default.aspx>

<sup>27</sup> <http://en-corporate.canada.travel/Corporate/Flyout.page?id=2634&fid=8281>

6. Ensure that social media is used strategically to support key marketing objectives such as increasing demand in shoulder seasons and stimulating interest in emerging product.
7. Explore opportunities to develop mobile application tools.
8. Use the website to prepare visitors for different lengths of stay. This will assist touring visitors that are travelling by BC Ferries. See Tourism Kamloops' Project Fly In as an example of this approach<sup>28</sup>.
9. Creating awareness of the destination should be accompanied by a stronger effort to drive specific business to stakeholders and to 'close the deal'. Work with partners in cooperative web-based campaigns to develop and promote web-based special offers that will drive web-traffic to partner websites. This can be of particular value in the shoulder seasons and should be used to support any print-based promotional campaign.
10. Work closely with Comox Valley and Campbell River to encourage northward and southward distribution of visitors. This is particularly important given the direct air-links to Alberta. Develop a familiarization program between Vancouver Island North and adjacent destinations to the south prior to the outset of the main season.
11. Undertake further discussions with BC Ferries and explore new opportunities for packaging that include the ferry travel component.

### **Priority 3**

#### ***Develop a more comprehensive appreciation of the size and impact of tourism on the local economy through an industry-wide commitment to sharing appropriate data***

The need for improved mechanisms for data collection and an enhanced ability to demonstrate return-on-investment was highlighted in the Workshop. The current data is restricted to hotel room revenue and Visitor Centre statistics. The latter is not necessarily a representative sample of the Region's visitors and the former, while still a helpful indicator, does not take occupancy or RevPAR<sup>29</sup> into consideration.

1. Work with Tourism BC to implement the '[Value of Tourism](#)' model. This model is based on acquiring occupancy data and average daily room rates from all accommodation and campground stakeholders, and will ultimately provide a demand-based figure on the value of tourism to Vancouver Island North.
2. Develop monitoring systems to measure the impact of promotional campaigns and to assess the value of attending consumer shows. Create feedback mechanisms for the wider industry. Visit the [Monitoring and Evaluation](#) section of Tourism BC's Industry Resources to see the [Measuring the Success of Marketing Activities](#) section.
3. Work with activity operators to build a culture of reporting on a periodic basis. Consolidate the data and monitor trends.

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<sup>28</sup> [http://www.tourismkamloops.com/home\\_showSection\\_ID\\_922.html](http://www.tourismkamloops.com/home_showSection_ID_922.html)

<sup>29</sup> Revenue per available room

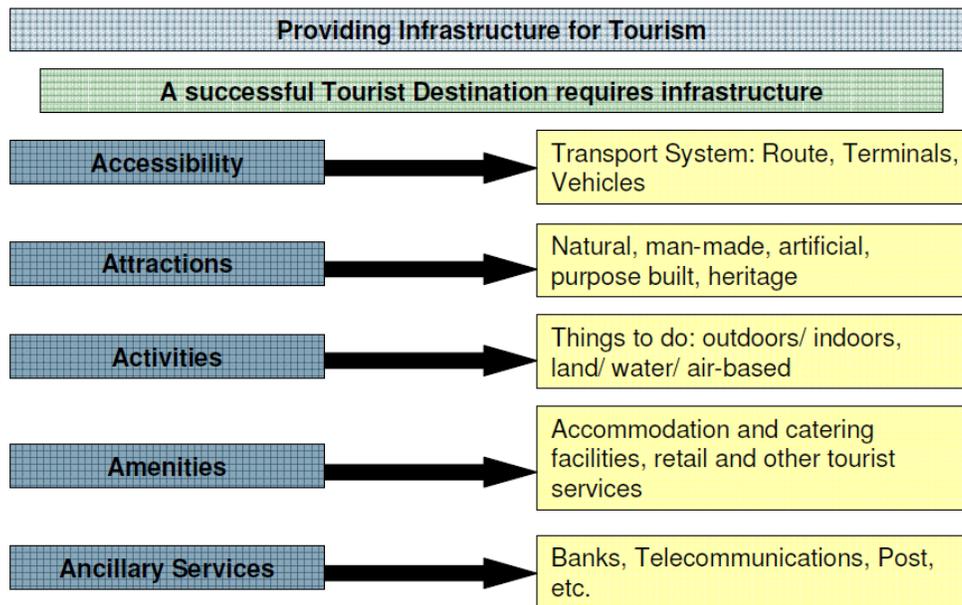
4. Explore opportunities to build research capabilities through a partnership initiative with Vancouver Island University.
5. Create secure password-protected pages on the web-site and report summary trends to stakeholders in a timely manner and in a way that respects individual operator's concerns for confidentiality.

#### Priority 4

***Promote an understanding that the product offer is the core of the destination in a way that inspires improved customer service and the development of new product and enhancement of existing experiences***

Assuming that the marketing mechanisms are in place, unique products and experiences generate and sustain demand. The composition of any destination is multi-faceted and strengthening its product offerings, general infrastructure and overall visitor experiences is essential in building a strong tourism economy. The complexity of developing a competitive destination and the range of stakeholders that are potentially involved are illustrated in the following exhibit.

## Requirements of a Tourism Destination



Source: MacNulty, P., May 2011, *Fundamentals and Principles of Tourism Product Development*, ECT-UNWTO Joint International Seminar, Dublin.

In Vancouver Island North, as in any destination, planning for product development needs to be comprehensive and coordinated, with local government taking a lead role in creating an enabling environment through proactive and integrated planning processes, the establishment of economic incentives for business development and local revitalization projects, the funding and/or facilitation of access (transportation policies, local trail systems, signage, marinas and moorage), and the support of marketing and visitor information services. The local public sector contribution not only creates and

shapes elements of the overall destination experience, but it also establishes the context within which the private sector can maximize its potential to develop and deliver unique experiences.

1. Undertake the development of a comprehensive product inventory using the [Tourism BC template](#). Ensure that both Tourism Vancouver Island and Tourism BC receive up-dated files and profiles on new product. Use this inventory to critically assess gaps in the visitor experiences and any associated areas of concern. While VINT should take the lead in this project, it will require input from local stakeholders, particularly the organizations running the Visitor Centres.
2. All local governments should work to establish conditions for economic growth through tourism. Consideration needs to reviewing land-use policies and proposed changes in the context of tourism and maintaining a database of suitable land parcels for development or redevelopment. The Regional District EDC is well positioned to take a lead in developing a tourism investment strategy that will identify the most appropriate tourism investment opportunities for the region. It is anticipated that VINTAC will play a key role in identifying these opportunities on the basis of the inventory, market trends and industry knowledge.
  - Develop a proactive approach to identifying potential targets and prospects for key tourism investment opportunities.
  - Host familiarization tours of the area for qualified tourism investment prospects that have shown an interest in identified opportunities.
3. Continue to explore opportunities to move forward with the projects identified in the Outdoor Recreation Resource Initiative and ensure that the inventory that was initially developed is kept up-to-date.
  - In keeping with the Initiative report, on-going effort should be maintained to develop partnerships that can work on maintaining the existing outdoor recreation and trail infrastructure. An excellent example of a regional partnership approach to trails development and maintenance can be seen in the work of the Shuswap Trails Alliance.
  - Continue to identify and address signage needs related to the use of parks and trails.
4. The Regional District has identified the need to focus on local industrial heritage protection and its potential to add to the tourism product offering, with projects such as the restoration of Locomotive 113 in Woss. Moving forward with efforts such as this will require:
  - Developing an inventory of existing sites, structures and related assets.
  - Identifying key themes and opportunities that will enrich the visitor experience through interpretation, improved access, restoration or other forms of product development.
5. Customer service is a critical element of the visitor experience and is an area that is of concern to many stakeholders. While there are obviously examples of excellent service, the Workshop discussions highlighted the need to focus on raising the level of both customer service and general understanding of the significance of tourism.

- Work with local media to regularly communicate the value of tourism to the regional economy. Use local ‘stories’ to illustrate the importance of good customer service and a supportive community in building a strong tourism industry.
  - Encourage all operators to be attentive to consumer review sites such as Trip Advisor. Tourism BC’s new [Online Reputation Management](#) guide can assist operators.
  - Explore opportunities for training within the regional community. This training should not only focus on customer care, but on all aspects of engaging successfully with the visitor in a manner that will ultimately heighten the value of the destination experience.
    - Work with local [WorldHost®](#) delivery organizations to encourage interest in WorldHost training.
    - Explore opportunities to host workshops from the Tourism BC’s [Tourism Business Essentials](#) series. Promote the availability of the publication series guides to stakeholders.
    - Work with stakeholders to develop a greater understanding of packaging and the potential it offers to re-position existing experiences in an innovative manner – thereby creating increased demand.
    - Work with First Nations partners and [Aboriginal Tourism BC](#) to develop training opportunities through programs such as First Host™ and the Aboriginal Tourism Trailblazers Cultural Interpretation program.
  - Continue to advocate for enhanced communications technology in the area of the mainland, adjacent to the East coast of Vancouver Island, and to un-serviced portions of Highway 19 on Vancouver Island.
6. Considerable work has gone into the development of the *Mt. Cain 2010 Ski Area Master Plan* document through the efforts of the Mt Cain Alpine Park Society and the Regional District. The vision for expanded recreational facilities that would allow for the creation of a regional four-season recreation area should continue to be supported moving forward. This initiative would offer a broader range of recreation activities including skiing, snowshoeing and Nordic skiing in the winter months, and hiking and climbing during spring, summer and fall. As such it will improve access to winter activities for local residents while expanding and strengthening the overall product base of the Region for visitors, particularly in the winter. While such activities are unlikely to be a key motivator for winter travel, they do represent greater diversity and an opportunity to develop niche experiences.
7. Continue to identify ways of supporting the growth of Aboriginal cultural tourism and the arts and culture sector in general. Meet with local organizations to explore opportunities for further integrating tourism and culture in a way that is mutually beneficial. Ensure that special events are packaged in a manner that will encourage an increased length of stay in the Region.

## Priority 5

### ***Promote a widespread commitment to protecting the underlying resource-base and landscape values of the Region and to strengthening the environmental sustainability of the industry***

Tourism in Vancouver Island North is a resource-based industry. Protecting and enhancing this resource base is critical to building a sustainable tourism economy and to maintaining the integrity of the destination experience.

1. A number of resource-based issues were raised in the workshop relating to access to Crown land, permitting and access to ground-fishery resources. These issues will require advocacy supported by research that demonstrates the value of related tourism potential. VINTAC should seek to clarify these issues and highlight the stakeholders best positioned to act on behalf of the issues.
2. Build greater awareness of environmental issues associated with developing tourism and hosting visitors. Continue to promote the need for sustainable business practices within the industry and develop mechanisms to track progress. Include these indicators when reporting overall performance of the industry.
3. Encourage all tourism stakeholders to play an active role in land-use planning processes and work collectively to protect threatened resources and landscapes. VINTAC will need to take an active role in acting as the Region's environmental watchdog.
  - o Work with the High Schools to explore options for developing a greater level of understanding regarding the interplay between tourism and the environment. Use programs such as the Grade 12 Tourism course offered by Port Hardy High School to expand on this theme and the overall importance of tourism to the regional economy.
4. Continue to focus on visitor amenity spaces and the creation of a strong 'sense of place'. A vibrant urban-scape plays a key role in maintaining the health of the industry and in encouraging length of stay and increased visitor spend.

## Final Note

The progress that has been made in implementing the *2007-08 Regional Tourism Plan* has been significant. Undoubtedly the key factors to this success have been the adoption of the regional model and the commitment to working together in a more effective partnership. This commitment needs to be maintained with all partners continuing to work collectively to attract visitors. Indeed, maintaining strong vertical and horizontal linkages within the industry and leveraging these relationships will be key to developing a strong regional destination that can compete for increased domestic and international market share. Adoption of this regional model has had a notable impact on the local industry – the task is now to consolidate this approach and to continue building strong internal and external relations between all partners and stakeholders.