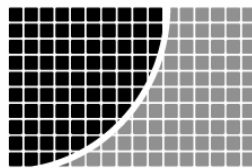


*A “Trails for Tourism”
Strategy for Cape Breton*

Executive Summary Report



THE ECONOMIC PLANNING GROUP of Canada
Tourism Consultants

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Executive Summary Report

Prepared for

Enterprise Cape Breton Corporation

by

THE ECONOMIC PLANNING GROUP of Canada

in association with

**Gordon Ratcliffe Landscape Architects
Griffiths Muecke Associates
McQuinn & Company Marketing**

March 2003

Executive Summary Report

Introduction

One of the recommendations of the Cape Breton “Tourism Road Map” Destination Development Plan, a strategic plan for developing the Island’s tourism industry and growing tourism revenues, was to pursue “Trails for All Seasons”, as one of four priority development opportunities. The report recommends a “comprehensive trails strategy ... to identify the trails inventory and the requirements for the future to ensure that Cape Breton has the various trail systems it needs”.

This report was commissioned in response to that recommendation. It has been prepared on behalf of a Steering Committee comprising trail groups, municipalities, First Nations, Parks Canada and ECBC. The consulting team was led by The Economic Planning Group and also included Gordon Ratcliffe Landscape Architects, Griffiths Muecke Associates and McQuinn & Company Marketing.

Objectives and Scope of the Study

The overall objectives of the project were identified in the terms of reference as follows:

- To prepare a trail development and marketing strategy for ECBC with an emphasis on extending the shoulder season if and where applicable;
- To prepare a better understanding of how new trails for Cape Breton could be positioned as a viable and attractive choice for tourists;
- To provide ECBC with criteria that would allow for new trail developments to be evaluated in terms of what they add to the Cape Breton tourism mix and to the economy.
- To examine the key issues with respect to the sustainability and maintenance of trails;
- To establish a recommended list of trails for potential development, ranked by priority based on potential for economic benefit and sustainability, and to estimate the cost of these priorities;
- To make recommendations on developing/enhancing Cape Breton’s trail product;
- To prepare estimates on how many and origins of would be trail users.

The strategy addresses trails used by the following types of users:

- Walkers
- Hikers

- Equestrians
- Cyclists
- Motorized vehicle enthusiasts (snowmobiles and ATVs)
- Cross country skiers
- Waterway enthusiasts including kayakers and canoeists

The focus of the effort is on a strategic plan that will generate increased economic benefits to Cape Breton – this means a plan that will help achieve one or more of the following:

- Generate new tourism activity to Cape Breton
- Generate increased length of stay and spending of existing visitors

The report has been titled *A “Trails for Tourism” Strategy for Cape Breton* to clearly differentiate it from a strategy for trails designed to achieve other objectives.

Work Completed

The consulting team has undertaken the following tasks in the development of this strategy:

- Development and mapping of a Cape Breton trail inventory drawing on a variety of sources.
- Consultation with community trail groups, municipal representatives and other interested persons.
- Meetings and consultation with representatives of provincial departments and organizations involved in trail development and marketing.
- Secondary market research to develop a profile of the “trail tourist”.
- Case studies on a number of other destinations/trail experiences, through a combination of web research, review of published reports and personal interviews.
- An interim report and preliminary strategic directions was prepared and presented to the Steering Committee.
- A workshop with Cape Breton trail stakeholders to obtain input into the preliminary strategic directions, and further input on trail opportunities.
- Preparation of the final strategy and marketing plan.

Existing Trails in Cape Breton and Strategic Areas for Trail Development

An inventory of existing trails was prepared and is included as an appendix in the main report.

The consultants also identified a number of ‘strategic trail locational areas’ for future development, under three categories – rural/wilderness trail zones, water trail zones and community trail zones. The zones are presented on the map.

The considerations that went into selecting and them included:

- Overall quality of the experience including natural factors such as the scenery (particularly coastal scenery) and ecological features, and cultural factors.
- Proximity to travellers' services such as accommodations, restaurants, etc.
- Proximity to significant visitor attractions, such as National Historic Sites, major museums/interpretive facilities
- Extent of existing recognized/designated trail infrastructure
- Land ownership, specifically extent of public land holdings in the area
- Icon Potential – extent to which the area can deliver “icon” trail experiences drawing on its natural (coastal and/or mountains) or cultural features
- Extent of the existing community capacity and support for trail development
- Potential for off-season (winter/snow) trail opportunities

Community Consultations

The consultants held two rounds of consultation meetings with trail stakeholders and others to obtain input to the strategy and to identify specific trail projects having potential. The most important messages were that the top priority needed to be providing support for trail management and maintenance, followed by the need to build capacity within trail groups to make trails market-ready. Other issues raised were the challenges in dealing with government departments, obtaining approvals for and access to land for trails, and insurance and liability issues.

The Marketplace for Trails Tourism

Existing Visitors to Nova Scotia and their Interest in Trails

Nova Scotia has over 2 million visitors a year from out-of-province and there are another 2 million overnight trips made around the province by Nova Scotia residents. About 1 million person trips are made annually to Cape Breton (including tourist trips by residents of Cape Breton), 70% of these trips involve overnight stays and some 340,000 are by non-Nova Scotians.

Nova Scotia's Visitor Exit Survey indicates that over half of the visitors to the province participate in the most popular trail activity – leisure walking/hiking. Some 7% of visitors hike in wilderness areas and fewer than 3% go mountain biking, canoeing or kayaking. Visitors to Cape Breton have higher rates of participation in trails related activities on their trip to Nova Scotia.

A Survey of Nova Scotia Hiking Trail Users revealed that visitors to the province are more likely to use 'tourist trails' – shorter, less strenuous hiking experiences and that they much prefer trail experiences of 4 hours or less. According to the research, trails can clearly play a role in both generating a trip to Nova Scotia as well as a trip to a specific area within the province. Trail users look for opportunities for birdwatching, photography, wildlife viewing and nature appreciation as part of their trail experience.

The Trail Tourist

Research on ‘trail tourists’ in a number of destinations reveals that they have some very similar characteristics and can generally be described as follows:

- More active in a wide variety of activities while travelling, not just trail activities
- Stay longer at a destination and spend more money than the average visitor
- Have education levels notably higher than average
- Have higher incomes than average, and higher than the average visitor to the destination
- While younger market segments have higher participation rates in trail activities, particularly the more active/extreme activities, mature markets also participate in trail activities. The overall age profile of trail users is very similar to the age profile of all visitors.

The research also indicates that in Atlantic Canada, trail users are much more likely to be from outside the region – from other parts of Canada, the US and overseas – a profile that is similar to the profile of visitors to Cape Breton.

Trail Activity Markets

Extensive secondary research was undertaken into the markets for trail activities – walking, hiking, cross country skiing, snowmobiling, ATVs, kayaking, canoeing, cycling and mountain biking, to assess the size and growth potential of each market, and their propensity to travel for trail experiences. This market information, combined with an assessment of Cape Breton’s Unique Selling Propositions for each activity and the competitive situation, led to overall conclusions about the potential of each trail activity for Cape Breton, and a grouping of the trail activities into three categories based on this potential:

Highest Potential

- Walking and hiking – day trips

Moderate Potential

- Kayaking
- Cycling and mountain biking – day trips
- Cycling – touring trips
- Snowmobiling
- Hiking/backpacking – overnight trips

Lowest Potential

- Horseback riding
- Canoeing

Two activity market segments – the ATV market and the cross-country ski market are discussed below.

The ATV market is a substantial one in terms of the number of participants and is showing strong growth. However, the ATV tourism market is still in the very early stages of growth and its longer term potential is unclear. While there are ATV markets close at hand, elsewhere in Nova Scotia and Atlantic Canada, they are relatively small and low yield since they tend to be independent (i.e. travel with their equipment, use trails on their own). The larger and more lucrative ATV markets are further away (e.g. Ontario, Quebec and New England) and Cape Breton's competitive position in these longer haul markets is weakened by the distance they would have to haul their ATVs, and the intervening/closer at hand competitive destinations (e.g. Quebec, Maine, Northern Ontario).

Within these markets, particularly the long haul markets, there is a segment that will book trips with outfitters including equipment rentals, guides, etc. This segment is currently fairly small, but appears to be growing, and is less constrained by distance to the destination and more lucrative in terms of spending and economic impacts at the destination.

It is not yet clear what the full potential is in either of these segments since this is an undeveloped market. The overall strategy for ATV trails reflects this conclusion.

The cross country ski and other winter trail activity market is a very small, niche market, and while Cape Breton clearly has some product strengths, attracting visitors to Cape Breton for these types of activities poses some particular challenges. These include access (to Cape Breton and also to the cross country ski areas in Ingonish and north), the limited basic visitor services open in the winter and the small volumes of visitors that are potentially available, making most marketing activities not cost-effective. If Cape Smokey ski area is re-opened and there is significant development in this area, creating a "critical mass" of winter activity along the eastern side of the highlands, further development and promotion of the cross country ski and other winter trail products may well become more of a priority. In the absence of this, we suggest that this trail activity segment not be a priority.

Lessons from Other Trail Destinations

The East Coast Trail in Newfoundland, Confederation Trail in Prince Edward Island, Bruce Trail in Ontario, West Coast Trail in British Columbia and trails in Scotland and Quebec, as well as hut-to-hut hiking and skiing in the Rocky Mountains, were examined. This research identified a series of best practices that are valuable for trails for tourism development in Cape Breton.

- Significant direct/indirect public sector investment is required to establish trails, for tourism or otherwise.
- Where there are no dedicated funding sources (e.g. from permit fees, share of registrations or gas tax), or direct government delivery, funding for ongoing maintenance is a major challenge. Even when there are funds from fees (primarily on motorized trails), they do not fully cover the operational costs and financial sustainability is an ongoing challenge.

- Marketing is critical if trails are to be a demand-generator for tourism – and it has to be part of the destination sell.
- Spending by multi-day wilderness hikers is very low. On the other hand, spending by motorized trail tourists is at the highest end of the “trail tourist” spending range.
- Models for the delivery and management of trails include:
 - Direct government development and operation of trails;
 - Community/volunteer trail group development and management with funds raised through public sector funding programs, memberships, partnerships;
 - A purpose-established corporation/organization, e.g. Vélo Québec, Hatfield McCoy Regional Recreational Authority with public sector funding support
- Connecting loops are important for both hikers and motorized trail users
- Enforcement of rules is important for motorized and shared-use trails
- If land is not publicly owned, negotiating rights-of-way and easements with private landowners is time consuming and can be problematic
- Communication with communities and their involvement and support of trail development initiatives is critical
- In some cases, management of usage levels within the carrying capacity of the trail is necessary to ensure preservation of the natural environment
- Some destinations have programs designed to make them “trail friendly”, such as the Walkers Welcome Scheme for accommodations in Scotland.
- Trails need to be connected or close to communities so as to provide amenities and services for users, and to maximize economic impacts
- Trail infrastructure must include directional signage to the trail, signage on the trail and signage to point out access to services
- User pay/permits are quite common for motorized trails, and in place for some shared-use trails and longer wilderness hiking trails. They are not generally in use for shorter hiking trails.

Overall Strategic Approach to ‘Trails for Tourism’

This section identifies the key principles involved with a ‘trails for tourism’ strategy, and introduces the general approach being recommended.

Cape Breton's Tourism Road Map

This recently released strategy contains a number of recommendations that may potentially connect with, or suggest an opportunity for, the trails for tourism strategy. These are:

- “Ciad Mille Failte” Welcome Centre at the Causeway – a centre that markets and sells Cape Breton tourism experiences and other products. As part of the trails for tourism strategy, we are recommending that the Welcome Centre also sell trails experiences, and that it become, figuratively speaking, the “trailhead” for Cape Breton’s trails as well as the trailhead for the Trans Canada Trail in Cape Breton.
- “e-CB” Tourism e-Commerce Development – the recommendations for web-based trip planning and marketing for trails links directly with this initiative.
- Inverness Links Resort and Golf Club – this will complement the proposed additional trails development in the Mabou/Inverness and Margaree areas of Cape Breton.
- “Sydney-by-the-Sea” Waterfront and Downtown Heritage – this will potentially link with the GreenLink Trail project in Sydney.
- “Seasons at the Fortress” – the development of trails in the Louisbourg area will complement this effort, and provide added reasons for visitors to come to this area in the fall, and extend their stay.
- Mi’kmaq “Time Travel” Aboriginal Cultural Experience – suggestions for interpretive trails with guided trips in a number of Mi’kmaq communities in Cape Breton will help deliver these experiences.
- Atlantic Canada Nature Centre and Wildlife Sanctuary could be a secondary “trails gateway” for Cape Breton, as well as providing on-site trails opportunities at Two Rivers Wildlife Park.
- “Safari Cape Breton” Eco-Adventure Lodges will provide services for avid hikers and backpackers seeking to access Cape Breton’s wilderness areas.

The strategy also places an emphasis on increasing shoulder and off-season visitation and revenues, particularly from the Nova Scotia and Maritimes market. The approach to tourism marketing in Cape Breton also provides an opportunity to address marketing needs for “trails for tourism”.

Other Important Issues

Most importantly, this is a strategy for ‘trails for tourism’, and the focus is on identifying trail opportunities that will bring incremental economic activity to Cape Breton. This can happen in one of two ways:

- Attracting new tourist visitors to Cape Breton – using the accepted definition of a tourist, this could mean anyone travelling more than 80 km one way or on an overnight trip, in other words, it includes visitors from mainland Nova Scotia.
- Extending the stay and spending of existing visitors

There is a wide range of other objectives that can be achieved through the development of trails but achieving these other objectives is not the focus of this strategy. Trails developed to serve primarily local resident needs, to meet health and physical fitness objectives, to enhance the quality of life of residents, while important in their own right, are not priorities within this strategy.

In this context, and based on our research and stakeholder consultations, we have identified the following issues:

1. First of all, in the context of a trails for tourism strategy, the development of trails should be market-driven, in other words, they should respond to the market opportunities available, be targeted to specific markets offering real opportunity, and be designed to respond to what those markets are seeking, and are prepared to travel for.
2. Secondly, it will be vital to have trails that meet the expectations of the markets being targeted. This means that, for example, shared-use trails such as the Trans Canada Trail must meet the needs and expectations of all the user groups for whom the trail is intended. This has implications for the design of the trail, particularly the surface treatment, construction costs, maintenance costs and effort, and trail management.
3. It will also be necessary to achieve a high standard of ‘market readiness’ and appeal for trail users, and most particularly tourists. This also involves commitments to maintain the trails to these standards.
4. Community volunteer groups play a key role in developing and maintaining trails across the region. However, we can’t just download the responsibility for trails for tourism onto them. If we are going to follow a ‘community development’ approach in developing and managing ‘trails for tourism’, volunteer trail groups will need support of various kinds. As well, there will likely also be trails developed where it is not reasonable for a community group to be responsible for development and management. There needs, therefore, to be a rational system involved, one that clarifies appropriate roles for community groups, for the tourism sector and for other agencies, provides funding and support mechanisms where necessary, and provides incentives for volunteer organizations to be involved in the effort.
5. Clearly, it will be vital to have the tourism industry involved in a substantial way in developing trail-based tourism experiences and products, and in supporting the efforts of the trail organizations as well.

6. There is need for marketing model as well – a marketing network along with trip planning support for customers. Without a solid marketing program, the rest of the effort cannot prosper. This will have to be led by others than the community trail organizations.
7. The whole effort needs to be coordinated and supported, and gaps in delivery roles filled.
8. To help enhance of the viability of the tourism sector and for economic impact reasons, there needs to be special emphasis given to winter.
9. Finally, the reasons the whole effort is important and worthwhile needs to be made clear.

The proposed organizational model for delivering the strategy will be discussed shortly.

The Trail Development Strategy: Trail Development Opportunities and Priorities

Potential trail opportunities have been identified, drawing on input received during the stakeholder consultations, and in response to the conclusions from the market research and the types of trail development that are appropriate for the target markets identified.

Water trail opportunities are listed separately and have been discussed from a strategic perspective, not evaluated to identify priorities.

Assessment of the Trail Opportunities

The trail opportunities have been assessed by the consultants to identify strategic priorities for ‘trails for tourism’. Based on the conclusions regarding the market potential, horseback riding was dropped. Also, it was decided to consider cross country skiing/other winter trail activities as well as water trails (kayaking/canoeing) from a strategic perspective, rather than incorporating them in the evaluation process.

The evaluation involved a number of considerations, as follows:

- Three market-related factors:
 - Potential yield (spending per visitor),
 - Potential for outfitter or guided experiences, and
 - Overall market potential (size and growth).
- Their location in priority trail zones
- Likely appeal of the trail to target user groups
- Presence of a community group to take on the trail

- Major constraints, such as land availability, capital costs and development challenges
- Fit with the provincial tourism strategy

Based on the results of the evaluation, the priority ‘trails for tourism’ were grouped into three levels. These priority projects are described in Exhibit 1.

Preliminary Capital Costs for Priority Projects

Exhibit 1 also provides preliminary capital cost estimates, where possible, for the priority trail projects. All of the figures provided should be seen as very preliminary in nature. A 15% - 20% contingency should probably be added to all of the figures.

The consultants have not had a chance to personally see the trails and therefore are not aware of existing conditions, which may or may not have a significant impact on capital costs. In many cases, there is insufficient information on the level of work required to upgrade a trail to provide even a preliminary estimate of costs. Additional fieldwork, planning, etc. is required

The costs presented in Exhibit 1 do not include a number of other elements that are needed in concert with trail development:

- Road Access
- Road signage
- Costs for ‘professional services’ for trail groups to assist with detailed planning, design and engineering. We have assumed that these services are provided through the ‘trails for tourism’ organization.

The figures for the trails within CBNP were provided by Parks Canada and are based on the Parks Canada model of development, and their standards. As such, these costs are considerably higher than under the “community development” model.

Water Trails

Cape Breton offers a number of excellent opportunities for kayaking, and, to a more limited extent, canoeing. The opportunities available can be grouped into three categories:

- Coastal – the exterior coast of Cape Breton provides a range of opportunities primarily for kayaking. However, for the most part, these areas offer challenging kayaking. As such, they should not be promoted as kayaking routes to the average tourist market. We suggest that the primary opportunity for these areas continues to be guided experiences with kayak operators.
- Sheltered coastal bays and harbours such as St. Ann’s Bay and Mabou Harbour, and rivers, notably the Mira River.

Exhibit 1		
Priority Trails for Tourism Opportunities		
Trail Opportunity	Brief Description of Work Required	Preliminary Estimate of Capital Costs (Excludes HST & Contingency)
First Level of Priority *		
Trailhead at Port Hastings	<ul style="list-style-type: none"> ◦ As part of the Ciad Mille Failte Gateway Centre, a Cape Breton Trailhead/Trans Canada Trail Trailhead facility with parking, displays, large map of Cape Breton's trails; shared use of support services such as washrooms, with the Gateway Centre 	\$275,000 - \$300,000 Assumes inside space is provided by the Gateway Centre; includes interior and exterior maps and displays, as well as kiosk
Trans Canada Trail: <ul style="list-style-type: none"> ◦ Port Hastings to Long Point ◦ Long Point to Little Judique Harbour ◦ Little Judique Harbour to Inverness 	<ul style="list-style-type: none"> ◦ Entire route to be brought to a standard that will meet market needs for all uses – cycling, hiking, motorized uses, horseback riding. Maintenance to this standard also important. ◦ Work required includes – Bridges and bridge repairs, ditching, surfacing (crushed stone), signage of all types, rest stops, links to other nearby trails 	Port Hastings to Long Point-\$410,000 Long Point to Little Judique Harbour - \$525,000 Little Judique Harbour to Inverness - \$1.1 million
West Mabou Harbour Hiking Trails	<ul style="list-style-type: none"> ◦ Trail improvements to bring to market ready state – widen and enhance treadway, signage, interpretation 	\$76,000
Cape Mabou Hiking Trails	<ul style="list-style-type: none"> ◦ Enhancements to bring trails to market ready state; two additional trail sections 	\$210,000
Cape Mabou Highlands/Mabou Harbour Trails/Mabou Mountain	<ul style="list-style-type: none"> ◦ A longer term initiative but, the combination with West Mabou and Cape Mabou hiking trails, and the plan for Margaree described below, and the natural, scenic and cultural appeals of this area, suggests an opportunity for a significant trail destination in this region. ◦ First step is detailed planning for a more extensive trail network in this area, building on trail systems that exist already to create a significant hiking destination offering a variety of looped and connecting trails, day and overnight hikes, possibly overnight huts and connections to the Trans Canada Trail and communities/tourism facilities such as Mabou, Glenora and eventually to the Margaree system (see below) ◦ There would be a number of issues to be resolved including land availability 	Detailed plan required to determine extent of trail network, routing, links and connections, preliminary design, consultation with trail group/community, etc. \$50,000 - \$75,000? (For the planning)
Margaree Valley Trail System including Margaree Beaches Trail	<ul style="list-style-type: none"> ◦ Detailed planning and subsequent development of a network of trails providing a variety of trail opportunities in the Margaree Valley with links to the coast, Trans Canada Trail, and possibly eventually to Cheticamp – some initial planning is already underway locally ◦ Potential to incorporate the shorter existing trails in the Margaree which require enhancements to make them market ready 	Will require further study in order to determine the best trail routes, also consultation with the community, DOE, terrain analysis, identify options for trail routing, detailed design, etc. \$50,000 - \$75,000?

Exhibit 1		
Priority Trails for Tourism Opportunities		
Trail Opportunity	Brief Description of Work Required	Preliminary Estimate of Capital Costs (Excludes HST & Contingency)
Meat Cove/Lowland Lawrence Cove Trail	<ul style="list-style-type: none"> ◦ Trail enhancements to bring it to market readiness – trail improvements, signage, trail head facilities, plan to handle demand and generate revenue for the community and its businesses ◦ Will require initial work to resolve the current trailhead infrastructure issues and negative impacts on community 	Further planning required before capital budget can be determined \$20,000 - \$30,000?
Cape Breton Highlands National Park – Middle Head Trail (other trails identified needing improvements are in next category)	<ul style="list-style-type: none"> ◦ Improvements to trail to accommodate demand while minimizing impacts 	\$467,000 (PC figure) \$362,000 for materials and labour; \$105,000 for share of supervision and equipment allowance as per PC estimate
Inverness to Victoria Winter Trails – Signage, general upgrading	<ul style="list-style-type: none"> ◦ This network of trails is largely in place but additional work is required to make them market ready. This includes new grooming equipment, extensive signage and some trail upgrading. ◦ Work on the snowmobile trail network should only be a priority in conjunction with the development and marketing of guided snowmobile packages, the active involvement of the tourism sector and the marketing of snow trails so as to encourage new winter tourism activity 	Grooming Machine (1) - \$150,000+ Signage and trail upgrading: \$50,000?
Lighthouse Trail, Louisbourg	<ul style="list-style-type: none"> ◦ Trail development 	Phase I: 485,000 Phase II: \$230,000 (Based on 1995 plan)
Cape Auguet, Isle Madame	<ul style="list-style-type: none"> ◦ Completion of trail development and bring total project to standard of market readiness 	
Second Level of Priority*		
Money Point Trail (North of CBNP)	<ul style="list-style-type: none"> ◦ General upgrading to market readiness ◦ Signage 	Further study needed before costs can be provided
Red River to Polletts Cove (PA)	<ul style="list-style-type: none"> ◦ Backpacking trail; ultimately potential for links to other trails in the PA; potential to be Cape Breton's 'icon' hiking trail network ◦ Requires working with the local community in development of the PA Management Plan and resolution of some land issues prior to physical trail development/improvements 	Further study needed before costs can be provided
White Point Trail (North of CBNP)	<ul style="list-style-type: none"> ◦ General trail upgrading, signage, trail head facilities ◦ Requires working with the local community to resolve community impact issues; possible relocation of trail head 	Further study needed before costs can be provided
Cape Breton Highlands National Park	<ul style="list-style-type: none"> ◦ Enhancements to other trails so as to accommodate demand and minimize negative impacts: Coastal 	Parks Canada data Coastal: \$516,000 Glasgow Lakes \$249,000

Exhibit 1		
Priority Trails for Tourism Opportunities		
Trail Opportunity	Brief Description of Work Required	Preliminary Estimate of Capital Costs (Excludes HST & Contingency)
	Trail, Glasgow Lakes, Franey Mountain, Warren Lake, Clyburn Valley Note that cost estimates include supervision and equipment for Cape Rouge to Fishing Cove Trailhead and one other trail not on this list	Franey - \$371,000 Warren Lake - \$312,000 Clyburn \$103,000 Plus supervision and equipment \$836,000
Ingonish (Warren Brook) to Neils Harbour (Halfway Brook)	<ul style="list-style-type: none"> ◦ Use existing historic roads for cycling and hiking route linking the communities and businesses within the community ◦ Will require some upgrading to surfaces; also signage; involvement of communities and businesses to develop packages 	Further study needed before costs can be provided
North River Provincial Park	<ul style="list-style-type: none"> ◦ Complete existing work and expand to add loop trails that are shorter and designed for more casual hiker 	Complete Existing Work: \$ Further study needed before costs can be provided for expansion
Snowmobile Trail Network	Specific projects: <ul style="list-style-type: none"> ◦ Port Hastings to Rodena Road – route by passing TCT in this area ◦ Escarpment Trail from Wreck Cove Valley to Surge Lake; some additional trail development to complete loops from Inverness – Wreck Cove – Power Line – into the highlands and links into some communities; 	Further study needed before costs can be provided
Additional Coastal Trails in Scaterie-Louisbourg-Gabarus Area	<ul style="list-style-type: none"> ◦ Several options are possible – Gooseberry Cove, day use trail in the PA from Gabarus to Gull Cove, overnight guided product to Scaterie Island ◦ Requires more assessment of opportunities and planning 	Further study needed before costs can be provided
Third Level of Priority*		
(Preliminary Capital Cost estimates provided only for First and Second Level Priority projects)		
Green Link Park Trail, Sydney	<ul style="list-style-type: none"> ◦ 5- 6 km of shared use trail (walking, hiking, cycling, cross country skiing), partly accessible; would run from the waterfront boardwalk, through Wentworth Park to the former Rotary Park and to Cape Breton Regional Hospital ◦ Needs resurfacing, some boardwalks, bridges, repairs to a dam, signage, interpretive displays 	
Cap Rouge to Fishing Cove Trail Head (north of Cheticamp)	<ul style="list-style-type: none"> ◦ Historic roads for walking and biking 	\$335,000 (Parks Canada figure) (Cape Route to Skyline, Skyline to Fishing Cove Trailhead)

Exhibit 1		
Priority Trails for Tourism Opportunities		
Trail Opportunity	Brief Description of Work Required	Preliminary Estimate of Capital Costs (Excludes HST & Contingency)
Pollets Cove PA	<ul style="list-style-type: none"> ◦ Potential future trail development for backpacking; requires detailed planning and management in association with community; potential 'icon' hiking trail area for Cape Breton but a longer term project ◦ Suggest consideration to making parts of this area accessible with guides only 	Further study needed before costs can be provided
White Point to Dingwall to Bay St. Lawrence to Meat Cove	<ul style="list-style-type: none"> ◦ A community to community trail network using existing trails and roads; for hiking and biking ◦ Needs upgrading and signage ◦ Local businesses and communities to be involved with packages, shuttle services, etc. 	
Cape Breton National Park – Other Trails Identified	<ul style="list-style-type: none"> ◦ Several identified in Exhibit 8; Still reviewing information to conclude as to which ones should be priority from 'trails for tourism' perspective 	
Cheticamp Hills	<ul style="list-style-type: none"> ◦ Hiking trails along the ridge from Cheticamp into CBNP - physical plan required 	
Cape Smokey Trail	<ul style="list-style-type: none"> ◦ Expansion to create a loop trail, upgraded trail and trail head facilities; would help take pressure off trails within the park 	
East Bay Hills and/or trails from Mira to East Bay	<ul style="list-style-type: none"> ◦ Shorter loop trails designed for casual users ◦ Proximity to Sydney, Louisbourg, Two Rivers Wildlife Centre 	
Trans Canada Trail- Inverness to Iona, Iona to Little Narrows and Grand Narrows to Sydney	<ul style="list-style-type: none"> ◦ Completion of the Trans Canada Trail into a shared-use trail from Inverness to Sydney; Some sections have a proponent (Cape Breton Country Trails Association) while others do not yet (Iona to Little Narrows); also a route identified in some areas but not in others. (See discussion in the text below) 	
Waycobah First Nation area	<ul style="list-style-type: none"> ◦ Trail development in association with tourism plan including mountain and waterfront trails; also expansion of the Salt Mountain Trail (provincial park) 	
Eskasoni	<ul style="list-style-type: none"> ◦ Shorter cultural/nature interpretive trails - with a guide as part of tourism offer in Eskasoni and providing an opportunity for visitors to gain an understanding of the cultural heritage of the Mi'kmaq people. 	

◦ *Note: Within each level, trail opportunities are not listed in any order of priority.

- The Bras d'Or Lake also offers excellent kayaking opportunities in a combination of environments. The lake has many large bays, such as the River Denys Basin, which are generally sheltered, as well as more open areas which should only be tackled by skilled kayakers. One proposed project is the development of a water trail on Bras d'Or Lake.

The strategy should, therefore, be to encourage visitors to purchase guided kayaking/canoeing experiences through marketing and promotional efforts, and to rent equipment in Cape Breton. We recommend that these opportunities be featured in the various marketing activities recommended later in this report.

A Special Approach for Snowmobile and ATV Trail Markets

These trails involve a number of unique considerations. The reader should read the main report for a full discussion of the issues. The outcome is that we are recommending that priority be given to snowmobile trails, particularly ensuring that existing trails are market ready, more-so than ATV trails, and that, in both cases, priority be given to guided programs and outfitter-based products. Exhibit 1 presented specific trail proposals.

Cross Country Skiing and Other Winter Trail Activities

While there is some very limited opportunity for this activity, it is a small niche market and there are numerous challenges to be overcome. We recommend that it be given priority attention only in the context of the re-opening/re-development of the Cape Smokey ski area, which would help create a critical mass of winter activity in the Ingonish area.

Trail Development Issues

There are a number of key issues that need to be addressed related to the development and maintenance of “trails for tourism” in Cape Breton. These issues include:

- Capacity building for community trail groups
- Trail market-readiness
- Trail planning, design and management considerations to reduce maintenance (long term sustainability of trails)
- Trail management issues including an approach to shared-use trails
- Others such as managing use, environmental sustainability and carrying capacities, land ownership issues

Trail Market Readiness

It will be particularly important that trail groups be brought up to speed on the trail experience expectations of the modern trail enthusiast, and what it takes to motivate them to travel for outstanding experiences, and that trails be designed and built to meet these standards of market readiness. Technical and financial support will be needed in these areas:

- Signage – directional, trailhead, on-trail
- Trailhead facilities – parking and services
- Trail conditions – trail standards, approvals/land use agreements, insurance, quality trail surface, on-trail rest areas and facilities

Capacity Building and Support for Community Trail Groups

If community trail groups are going to continue to play a major role in delivering ‘trails for tourism’ in Cape Breton, it is evident that there will need to be considerable effort dedicated to capacity building and providing support to these groups. Support is required in the areas of technical support and advice, facilitation, and funding for trail development and management.

Trail Planning, Design and Management

Technical support needs to include advice on:

- Route selection, alignment
- Surface materials
- Design and construction
- Maintenance
- Management methods

Developing Trail-Based Tourism Experience Products

Transforming trails into tourism products is not the job of community trails organizations. It is really the job of the tourism sector, and perhaps communities as well to a limited degree.

Bringing the Tourism Sector and its Products and Services Into the Trails for Tourism Program

The tourism sector brings a number of critical elements to the table in the trails for tourism strategy, for example:

Essential Services for Visitors:

- Accommodations
- Restaurants
- Outfitting services, guide services
- Recreational equipment rentals
- Traveller information services, trip planning assistance/support, suggestions for things to see and do

Attractions, Services and Amenities That Elevate The Overall Experience for Visitors:

- Variety of complementary attractions and leisure activities in the region
- Ready-made experience packages - guided and self-guided, group and independent

- Interpretation services
- Evening entertainment and cultural experiences
- Vacation-style accommodations (resorts, cottages, etc.)
- Unique restaurants
- Tourist shopping
- Linkages among attractions, activities, cultural connections, events
- Shoulder and off-season offers, packages offering value-added features and savings
- Events and festivals

Combined with the trails, creating linkages with the array of visitor services and amenities transforms trails into visitor experience products.

Alliances Between Trails Groups and Outfitters/Adventure Operators

Trails are essentially ‘infrastructure’, provided free to users, while tourism services are commercial services that people pay for. It will therefore be important for an arrangement to be made to flow some portion of tourism revenues back to trail development and management. This can be accomplished in several different ways, through user fees, donations by users and other techniques.

The trail organizations and the tourism sector have a common interest in making the ‘trails for tourism’ program work – for the trails organizations it is a potential source of revenue to support their efforts; for the tourism operators, the trails provide an attraction on the back of which they can generate new business. There is therefore a basis for collaboration on various fronts; one is planning, the other the pursuit of funding support for trails.

Tourism Sector Information Services and Trail-Based Packages

The tourism operators can play a valuable role in providing information to visitors on the trails available and complementary experiences and services available in the area. Several initiatives could enhance their role in this regard:

- Product knowledge orientation workshops for front line staff
- Trail familiarization tours for the tourism sector
- Development of collateral material, including a website, maps, trail guides, etc.
- Establishment of a ‘Point of Sale’ program.

The tourism sector can also develop, market and deliver packages involving trail experiences.

Growing the Outfitter and Adventure Operator Sector

Assisting businesses that create value-added, trail-based tourism products should be a top-priority part of the ‘trails for tourism’ strategy. The strategy should focus on outfitters and adventure operators that directly use trails as a central part of their product offering. It should be directed in the first instance to supporting the growth of existing operators, including:

- Funding support for acquiring equipment, and for marketing
- Market readiness support – training, standards, etc.
- Support for establishing a marketing network/alliance of outfitters and adventure operators
- Support for pursuing partnership relationships with the travel trade

The secondary part of the strategy in this area should be directed to attracting new operators, however, only when and if the growth in demands warrants new operators.

Market Readiness Enhancement – Tourism Products, Communities

The other partners in the trails for tourism program, tourism operators and communities, like trail groups, similarly need support of various kinds in making themselves ‘market ready’ for trails-based tourism. Support initiatives might include:

- Package development (training, coaching, coordination, marketing support)
- Education and training (hospitality training for front-line staff, product knowledge training, etc.)
- Technical support/advice on ‘trails for tourism’ initiatives for communities and tourism stakeholders
- Advice for communities on managing tourism (maximizing benefits, mitigating negative impacts)

Trail ‘Products’ Matched to Tourism Markets, to Make Cape Breton an Appealing Trail-Based Tourism Destination

There are different definable market segments with respect to trail-based tourism, each with its own particular mix of preferences as to trail types and trail features. It is therefore important to have different trails for different markets, and a mix of trails for each market. There, in fact, needs to be a ‘critical mass’ of trails for each market to warrant a trip to the destination.

Trail-Based ‘Products’ for Visitors

A special challenge with trails is how to get visitors to spend. In fact, what is required is the conversion of trails into tourism products that induce spending by visitors. It needs trails bundled with complementary experiences, traveller services/ amenities, plus trip planning/organizing/outfitter services. In other words, it needs tourism products that people can buy. Accomplishing this feat is discussed below.

Guided and Self-Guided Itineraries and Packages

While all sorts of great trails and trail-related experiences may be available to visitors at a destination, it is normally a lot of work, and it takes time, for the visitor to find them, and to

organize the visit. Usually the visitor misses all sorts of opportunities, in that they happen upon only some of the quality experiences available at the destination.

The destination marketing organization can readily improve on this situation. Very simply, they can present the visitor with suggestions, both in the form of suggested itineraries, as well as packages that can be booked in advance. There are several kinds of offerings that should be considered:

- Self-guided suggested itineraries – things to do and see
- Self-guided packages – trail experiences bundled with visitor services, and perhaps attractions or other activities
- Guided programs – guide services at scheduled times in a group format or on a private contract basis
- Guided packages – guided trail experiences as part of a group package, offered at scheduled times and dates

‘Gateway’ Centres and Services

Cape Breton has two ‘gateways’ for visitors, the causeway and the Sydney Airport. This creates an outstanding opportunity to locate trail-based visitor services in each of these locations. In fact the Cape Breton Tourism Road Map report recommends the establishment of a Gateway Welcome Centre at the causeway. This is a superb location that could accommodate the ‘point of sale’ features discussed below.

Providing similar services at the Sydney airport would also be valuable, however, the volume of use would be light in the initial years of the trails for tourism program. An alternate location for these services might be the Atlantic Canada Nature Centre and Wildlife Sanctuary.

The Port Hasting centre could, in fact, serve as the trailhead for the Trans-Canada Trail in Cape Breton, providing an information kiosk and interpretive information, a trail map, parking, a staging area, washrooms and an overall orientation to trails and outdoor activities in Cape Breton Island.

Market Development and Marketing

The recently completed Cape Breton Road Map provides several strategic recommendations in order that tourism becomes a cornerstone to economic development on the Island. To that end the Road Map supports an increase in tourism revenues over the next 5 years of almost 75%. The thrust of the plan is to promote four key products:

- Grand Touring
- Heritage and Culture
- Meetings, Conventions and Events
- Outdoor and Nature

The tourism trails strategy feeds into several of these strategic areas. For the Grand Touring market, trails provide a variety of day use activities such as light hiking/walking, and biking to enhance their overall experience. For the Heritage and Culture segment, several trail systems provide a perfect stage to deliver the stories of Cape Breton's unique and diverse past, be they medicine trails in aboriginal communities or coastal trails linking one French community to the next from days gone by. And certainly, the trails system will provide the foundation to the Outdoor and Nature segment, offering a variety of experiences to walkers, hikers, bicyclists, and winter enthusiasts on a year round basis.

The following marketing strategy was developed assuming full integration with the provincial and Cape Breton tourism strategies and by no means is intended as a stand-alone approach. While details are not yet determined for the structure of tourism marketing for Cape Breton, it is recommended that responsibility for managing the marketing strategy for trails be integrated with these overall efforts. In addition, close liaison is required with provincial efforts in order to maximize the benefit to the region.

Marketing Strategy

Somewhat different strategies are recommended for each of the key target markets for 'trails for tourism'.

Grand Touring

Within this broad market segment, the trail product should become a fundamental product offering and communication piece that will support the Island's positioning as well as provide a variety of possible activities for the touring visitor to participate in while they are travelling. This will include 2-4 hour hikes, cultural/heritage hikes associated with local stories, casual biking trails for those travelling by car with their bikes on a rack, or those interested in taking a bike ride and renting bikes.

Outdoor & Nature

While this is a smaller market compared to the touring market, it is the market segment that is likely to choose a visit to Cape Breton for the primary purpose of participating in a trail experience. They are more likely to take in longer hikes 4-6 hours with some preferring multi-day hikes. Bikers will also be looking for more intense experiences than the casual biker. The Outdoor/Nature market is also likely to participate in more than one of these activities while vacationing.

By successfully appealing to this market, Cape Breton will reap the benefits of being considered a premier trail destination by both visitors and travel media alike, thus reinforcing the overall positioning of the destination.

Culture & Heritage

The relevance of trails to this market is to provide both an added activity to the overall vacation experience, similar to the touring market (trip supporter), and also to provide unique cultural and heritage trail experiences.

Positioning and Branding

The opportunity with the implementation of the Tourism trails strategy is to take a much bolder and dominant role in both the touring and outdoor/nature market. In fact, Cape Breton can become known as

A premier seacoast trails destination in North America

The positioning strategy for the Trails for Tourism program therefore needs to build first on Cape Breton's strong positioning in the touring marketplace, and secondly on its unique appeals to the outdoor, nature and adventure segments. The strategic approach is to build awareness and appeal through presenting the unique and compelling features of the trail experiences available, in combination with its unique and compelling cultural and heritage experiences.

The island's positioning in the touring marketplace is that of an outstanding destination for sightseeing, nature, culture and heritage, with the premier icon being the Cabot Trail. The trails strategy in this market should be to position Cape Breton's trail offerings as...

... opportunities to experience the highlights of the destination in a more fulfilling, more intense way through walks, hikes, bike tours, kayak trips, etc. Outdoor adventures, dramatic vistas, rugged seacoast, waterfalls, historic sites, unique communities can all be experienced with Cape Breton Trails.

The positioning in the outdoor/nature/adventure markets should build on the unique features that differentiate Cape Breton from competing trails destinations. These include:

- The Cabot Trail and Cape Breton Highlands National Park
- Dramatic coastal trails
- Highland trails in nature – unique ecology, dramatic vistas
- Highland trails for snowmobiling, cross country skiing in winter
- Great trail experiences combined with unique cultural heritage experiences – Celtic/Scottish, Mi'kmaq, Acadian, French colonial

As the outfitting sector develops, the provision of professional guiding and outfitting services should receive increasing attention in the positioning strategy as well.

Tactics

Following are recommendations for the tactics of the marketing strategy.

Print Advertising

For the touring market, the trail products should become part of the icon images used in any of Cape Breton's core advertising campaign.

For the outdoor/nature segments, specialized magazines should be targeted, such as Explore, Outside, National Geographic Traveler and Adventure that directly appeals to the outdoor/nature market.

Trip Planning/Collateral

Several collateral pieces should be developed/used:

- A lure brochure
- Lure text and ads in the provincial and regional travel guides, preferably with a special section
- Trail guides and books
- Regional trails for tourism maps
- Vacation planner, with suggested itineraries and packages

Direct Marketing (print and email)

This would be particularly important in targeting clubs and special interest organizations having a potential interest in Cape Breton's trails for tourism offerings.

Website

A quality website today is a critical part of a tourism marketing program, and is particularly important when targeting special interest markets. A stand-alone site may be valuable, however, it will also be important to have a section in Cape Breton's destination marketing organization's site.

Travel Trade

The trails for tourism offering needs to be included in the travel trade marketing activities of Cape Breton's destination marketing organization, particular for the trade that specializes in outdoor adventure products.

Packaging

As discussed earlier, having a variety of packaged products is essential to maximize visitation and sales to Cape Breton. A combination of single activity, multi-activity, self guided, guided, day and multi-day packages will be needed to offer in the market. The majority of packages will be offered and sold direct to consumer while some will be sold through the travel trade as mentioned above.

In-Market Point of Sale

A comprehensive marketing strategy for trails should include both ‘at home’ advertising as well as ‘in market’ advertising. Specifically an ‘in market’ approach realizes that while the visitor may be aware of the various trail experiences in Cape Breton when they arrive, they have yet to finalize the decision to buy or participate. Thus a comprehensive in-market approach is required to maximize the sales opportunities from visitors to the island.

Gateway VICs and other VICs

The Road Map points out the strategic opportunity to having a Gateway centre when entering the island by car. This would be a major stopping point for visitors to the island that would provide a comprehensive view of the tourism opportunities available to them. Certainly the trails products would be part of that showcase.

In addition to the Port Hastings Gateway, other in-market opportunities should be explored. All VICs throughout the island should be fully equipped with travel planning material, including ‘desk copies’ of all the private guides and maps. In addition to regional VICs, point of sale material should be made available to private sector partners as well.

Central Reservations

While this would provide a valuable service to the market to ensure the trails product is as ‘bookable’ as possible, it can also be a costly venture if done on its own. It is recommended that a variety of options be reviewed. They include a Cape Breton central reservation system for all tourism products and information requests, a contract to a private sector tour operator that includes a full line of trail related products (and ideally all Cape Breton product) or a combination Gateway VIC/reservation service. This would be highly dependent on the volume of packages and tour products developed and whether they are offered as commissionable product. Further analysis would have to be done to determine the feasibility.

Media Relations

As new trail product is developed, the opportunity to profile the experience in the market will grow. Travel media will be a key component to building the awareness of the new product in the marketplace and also establishing the credibility of the various products as premier coastal

hiking experiences. Media relations should be coordinated through provincial and Cape Breton efforts.

Partnerships

A number of key partners would be considered essential for the successful promotion of a Cape Breton trails strategy. They include:

- Nova Scotia Tourism & Culture (both marketing and product development staff)
- Cape Breton Tourism Marketing Partnership
- Canadian Tourism Commission (marketing and product development)
- Parks Canada
- Tourism operators throughout Cape Breton including guides, outfitters, tour operators and accommodation operators.
- VIC staff
- Support services such as foodservice, retail and equipment rental operators

Research

The long term success of the program will depend on careful monitoring, measurement and market research to ensure goals and objectives are being achieved and customer satisfaction is high.

Marketing Budget

An aggressive marketing program will need to be a key component of the trails for tourism program if it is to be successful. The following approximately levels of investment are recommended:

One time costs:

- Website, collateral development, design, kiosks, marketing launch - \$185,000

Annual costs:

- Print ads in selected outdoor magazines in Canada and the USA - \$120,000
- Trip planning/collateral - \$85,000
- Direct marketing - \$40,000
- Website - \$20,000
- Travel trade and consumer shows - \$5,000

Total annual costs - \$270,000

A Business Model to Deliver the Trails for Tourism Strategy

It is clear that, even with involving the tourism industry and building a model for collaborative marketing, there are still a number of ‘holes’ in the organizational resources available to move ahead with implementing a ‘trails for tourism’ strategy in Cape Breton.

Needs for Organizational Resources

Overall, the key areas requiring coordination and/or additional organizational resources include:

- Technical support for community trail organizations – standards, design, infrastructure, trail management and maintenance, working with government partners, etc.
- Funding and in-kind support for trail development and maintenance/management
- Market readiness enhancement for trails, communities and tourism products/services
- Marketing coordination and delivery
- Development and management of non-community managed trails
- Coordination among stakeholders
- Funding for tourism and marketing initiatives

All but the last three needs have been discussed earlier. The remaining three topics are addressed in turn below.

Development and Management of Non-Community Managed Trails for Tourism

Someone else needs to play a broader role in the design, development, maintenance, management and marketing of trails that are not independently developed and managed by community-based organizations. In other words, where a key, high priority trail opportunity is identified and it is not feasible for a community group to proceed with the project on their own, some kind of joint venture arrangement would be necessary, potentially involving other partners, such as municipalities, the Department of Natural Resources or the Department of Environment and Labour.

Co-ordination Among Stakeholders

Clearly there will be a number of stakeholders involved in the trails for tourism program, requiring, therefore, a central coordination function and organization. This organization would lead and/or undertake the following kinds of initiatives:

- Strategic planning
- Possibly the facilitation of packaging collaborations and programs
- Liaison among stakeholders – trail groups, outfitters/adventure operators, tourism stakeholders, communities, government partners

- Communications among stakeholders and externally
- Negotiations and liaison with government and other external ‘partner’ organizations
- Other joint activities

Funding for Tourism and Marketing Initiatives

Funding will be required to assist trail development and management, technical support, market readiness enhancement, coordination of the effort and marketing.

In Summary

There is a clear need for new organizational resources along with coordination among the organizations already in place. We now turn to that issue.

Roles for Existing Organizations

Organizations already in place – the trail groups, tourism businesses, municipalities, and provincial and federal departments and agencies, can play many of the roles involved in implementing the trails for tourism strategy. The main report names them all and identifies their logical roles.

However, there is need for some additional organizational resources as well, particularly with respect to funding, technical support, market readiness enhancement, coordination of effort and marketing. This is expanded upon below.

New Organizations and Their Roles

Cape Breton Tourism Marketing Partnership

The Tourism Road Map recommends the establishment of a private-public partnership to implement a rejuvenated and expanded destination marketing program for Cape Breton tourism. This will be a vitally important partner in the trails for tourism effort. It would logically become the lead marketing partner for the trails for tourism program as well as tourism generally.

Cape Breton Trails for Tourism Organization, or ‘Team’

We propose the establishment of a not-for-profit organization, or perhaps just a working group within another existing organization, to fill the other gaps in the delivery model, specifically; funding, technical support, market readiness enhancement and overall coordination of effort. More specifically, it would have the following roles:

Funding Support for Trail Development

- Funding contributions for trail development for priority trails for tourism, with supporting technical advice
- Funding contributions for priority trail maintenance and management, with supporting technical advice

Support for Community Trail Groups:

(For trails receiving capital funding as well as other trail groups in Cape Breton)

- Facilitate networking among trail groups on capacity building issues
- Technical advice and in-kind operational support for trail groups
- Advice and assistance for trail groups with local community sponsorship/partnership development
- Co-ordinated maintenance effort (such as shared equipment)

Lead Roles in Other Activity Areas:

- Major sponsor/partner development within Cape Breton and externally – funding and in-kind support
- Liaison with tourism operator partners, funding partners, government agencies
- Collaboration with the tourism marketing partnership on packaging, Gateway centre services, etc. (This corporation also may have to take on some other marketing-related tasks if the marketing partnership is not in a position to address all of the proposed marketing activities for trails for tourism.)
- Revenue development and management (See discussion to follow)
- Planning and research
- Tracking and measuring impacts and building a business case for continued support

The foregoing represent the jobs that need doing, however, it is an option that some of these functions, and perhaps even the role as a whole, could be contracted out to one or more existing organizations or companies in Cape Breton.

Revenue Development

Generating revenues from tourists and other trail users and flowing it into supporting the effort needs to be a vital part of the strategy. This is, however, a challenging task. In the absence of an arrangement to the contrary, the spending of visitors goes to the tourism businesses and the product and service retailers. Little if any goes to trail organizations, communities or industry organizations. That has to be changed if a sustainable ‘trails for tourism’ program is to be accomplished in Cape Breton.

The following kinds of options are seen to be possible in generating revenues to support trail management and organizational infrastructure:

Trail Group Revenue Possibilities

The following kinds of revenue sources would connect directly to trail use and would flow to the trail groups to assist with trail maintenance and management:

- *Sale of 'trail passes'.* This potentially could be done on the basis of a single pass for use of all Cape Breton trails, over a limited time period.
- *Trail user fees for clients of outfitters and adventure operators using trails.* The idea here is that the operator would agree to compensate the trail organization for use of their trail, on a per user basis.
- *Donations from users.* This is a simpler option to passes. A secure donation box and regular collection are really the only issues. The proceeds would be modest, however.
- *Fundraising events.* Community fundraisers are an established model for trail groups.
- *Local business sponsors.* Again, trail groups frequently pursue cash and in-kind sponsorship support from local businesses.
- *Royalties from the sale of packages and merchandise.* The idea here is to include a contribution for the trail organizations from the sale of trail-based packages and related merchandise (See discussion on this latter point below.)

Sale of Branded Merchandise

Various kinds of 'Cape Breton Trails' branded merchandise could be sold by the various stakeholder organizations. Some of the revenues might be provided to trail groups, as mentioned, while the rest of the revenue would go as commissions to the selling organization and back to the proposed 'trails for tourism' corporation to cover some of its costs. Examples include:

- *Trail Guidebooks.* This would logically include guidebooks for different kinds of users – hikers, cyclists, snowmobilers, etc.
- *Maps.* Similarly, detailed maps, of zones and individual trails could be sold, either in pre-printed form or downloaded from the website at point of sale locations perhaps.
- *Souvenir book.* A four-colour souvenir book of Cape Breton trails would make a great souvenir for trail tourists.
- *Branded clothing.* The traditional T-shirts, sweatshirts, fleece jackets, caps, etc. would be popular items. Also, branded hiking gear might be feasible.

Sale of Tourism Products and Packages

There are really three approaches to this revenue-generating concept:

- *Commissioned sales of tourism products and packages.* The tourism industry is generally accustomed to paying commissions for bookings.
- *Establish a receptive tour operation.* A more aggressive concept would be to have the marketing organization, or the corporation perhaps, develop and market their own packages – essentially becoming a tour operator themselves.
- *Establish a reseller operation.* A hybrid of the above approach is for the marketing organization or the corporation to become a ‘reseller’, wherein they take the products and packages of other operators, publish them in collateral materials and a website, and then market them in the role of a wholesaler. In this case, the reseller ‘buys’ the tourism products/packages at a wholesale price and marks them up for resale.

Events as Fundraisers

Special events provide opportunities for revenue and fundraising. With regards to the trails for tourism program, these might include, as examples; rallies, races, or a marathon.

Municipal Support

As mentioned earlier, municipalities can assist with trail development and maintenance, both with funding and with in-kind support.

Other Sponsors and Partners

There are a considerable number of organizations other than those listed earlier that could potentially be tapped as sponsors or program partners:

- Foundations – those supporting environmental, health or other philanthropic purposes, as well as those supporting in-province initiatives
- Trans-Canada Trail Foundation
- Trans-Canada Trail sponsors
- Travel sponsors – airlines, tour companies, etc.
- Health Canada
- Environment Canada
- Nova Scotia Department of Health
- Corporate sponsors – companies that have an interest in associating with outdoor programs, the environment, tourism, modern ‘lifestyles’, etc.
- Non-traditional program partners – companies that have a potential interest in getting involved with actual programs, such as outdoor wear manufacturers and retailers, or snowmobile manufacturers/retailers, transportation companies, etc.

Some might provide cash, others in-kind support, others free product, others marketing support (such as mention in their ads).

Proposed Trails for Tourism Organizational Framework

Designing an organization to lead the implementation of the trails for tourism strategy is a task to be addressed once decisions are made as to the actual scope and nature of the initiatives to be implemented. In the meantime, we can generally characterize some of its more important, likely features. Our assumption in the text to follow is that the proposed organization would undertake all of the tasks, however, as mentioned earlier, some or all of the functions could be contracted out to existing companies or organizations.

Staffing

Staff will be required as follows:

- A 'Trails Development Specialist/Manager'. This person would direct any and all involvement by the corporation in actual trail development and/or management. He/she would also provide the technical advice to trail groups initially, a task that would subsequently be taken over by the next person below.
- A 'Trail Co-ordinator'. This person would be hired once the program got well underway to work with trail groups as a facilitator on their behalf. More than one person may be required in due course.
- A 'Tourism Partnership Manager'. This individual would look after partnership/sponsorship development, liaison and communications with stakeholders generally, development of collateral materials (interpretation materials, guides, maps, etc.) as well as co-ordinate any marketing related matters not being handled by the Cape Breton Tourism Marketing Partnership.
- An 'Administration Manager'. This person will be required once the scope of activities expand to the level warranting administrative support, and most particularly once financial administration becomes a significant issue, such as once revenue programs are underway, or funding needs to be administered. Alternatively, this function could be performed by the 'host' organization if the trails for tourism team is working within another organization.

Governance

There are a number of options as to structure for this organization. For example, at its simplest, it could be a small team of individuals working as a unit within an existing organization on the island, or better yet, as a special unit within the proposed new public private tourism marketing partnership in Cape Breton, with a committee to direct its activities.

It could also be an independent organization with its own board of directors, a corporation or co-operative perhaps, that is established as a subsidiary of an existing organization, or the new marketing partnership.

It would make sense for it to start at the first model and then migrate at to a legal entity once financial administration becomes a significant issue.

The different categories of stakeholder organizations (trail groups, tourism partners, funding agencies) should be represented on the managing committee/board of directors, however, the group should be small in numbers, ideally less than ten. (Not every organization would have a seat on the committee/board, just one or two representatives for each category.)

Budget

Estimates of an annual operating budget for the 'Trails for Tourism Team' have been prepared. Annual revenues have been estimated at some \$400,000 (including \$100,000 from government sources) with staffing and overhead costs at some \$338,000.

Preliminary estimates of the total (i.e. from all sources/partners) capital program over the initial three year period indicates an investment of some \$10.4 million. In addition, we estimate some \$1.3 million over three years in program delivery costs.

Implementation

The implementation of the strategy should perhaps be pursued in two phases, the first phase involving stakeholder consultations, buy-in from key players and detailed planning for implementation of the key components of the strategy. We propose that this phase be sponsored by ECBC and managed by a contract project manager.

The second phase would involve actual implementation of the program. The organizations agreeing to play lead roles (or new ones established for that purpose) would undertake the second phase implementation.

Phase 1 - Consultations and Commitments to an Action Plan

Step 1: Stakeholder Presentations

The next step should probably be presentations of the report and its recommendations to stakeholders in the region. We suggest that separate meetings be held with different stakeholder groups, as follows:

- Trail groups
- Tourism stakeholders
- Community economic development and recreation officials
- Provincial and federal departments/agencies

The purpose of these meetings would be to consider the key issues and opportunities, review the recommendations and discuss the implementation process. An intended consequence would be buy-in, leading to commitments to participate in and support the program.

Step 2: Further Market Assessment

This study included secondary research to assess market potential, however it will be important to market test the concepts through some primary research. This will reduce the level of speculation as to market potential and also provide helpful insights into ways of strengthening the offerings and how they are marketed. We suggest three research projects:

- Several consumer focus groups, with both touring travellers as well as special interest travellers in the relevant market segments
- Interviews with tour operators that specialize in outdoor adventure travel
- Intercept interviews with Cape Breton tourist trail users and clients of Cape Breton adventure operators and outfitters

Step 3: Building Commitments to an Action Plan

The results of the work to date as well as steps 1 and 2 would come together in the development of action/business plans for the key components of the strategy, including:

- Establishment of the Trails for Tourism Team organization, its programs/services, staffing, liaison linkages, budget, funding model and tracking/performance measures
- Design of the marketing program to be delivered by the proposed new destination marketing partnership in Cape Breton, its budget and funding, and
- Design of a funding program, led by ECBC and involving other partners

The necessary negotiations and commitments for support of each of these components would be part of the action planning process.

The plan for the 'Trails for Tourism Team' would be developed by the sponsors of that organization, including ECBC and other agencies agreeing to participate, and the planning would involve as well representatives from both the trails groups and the tourism sector.

The marketing plan would be developed by Cape Breton's destination marketing partnership in collaboration with the tourism players involved and ECBC.

The funding plan would be developed by ECBC in collaboration with other funding partners. It should be in three parts, as follows:

1. Capital and operational funding for trails
2. Financial support for associated tourism business development – outfitters, adventure operators, tour operators/packagegers
3. Financial support for marketing by the DMO

Phase 2 – Program Implementation

Actual program implementation should proceed once the foregoing has been accomplished successfully and the necessary commitments are in place. The steps would proceed in approximately the following order:

1. Establishment of the Trails for Tourism Team organization, hiring the Executive Director, and program launch. At the same time, the funding programs would be announced.
2. Development and upgrading of trails and trail infrastructure, with technical support and funding via the Trails for Tourism Team.
3. Development of suggested itineraries and packages, facilitated by the DMO
4. Marketing launch by the DMO once there is an initial critical mass of quality trail-based tourism available

An important part of the implementation will be creating liaison linkages with trails and tourism related organizations in the province, including:

- Nova Scotia Trails Federation
- Nova Scotia Sports and Recreation Commission
- Department of Natural Resources
- Department of Environment and Labour
- Parks Canada

Economic and Community Impacts and Benefits

There are a number of economic and other benefits that might reasonably be expected from the implementation of the strategy.

Tourist Visitation and Spending

Cape Breton currently receives some 750,000 non-resident visitors annually (not counting the 250,000 residents who travel within the island and are technically considered as tourists by the statisticians). The spending of these non-resident visitors, based on the provincial average, is estimated at some \$230 million annually.

Of the total, we estimate that approximately 450,000 of these visitors currently participate in trail activities to a greater or lesser degree during their visit to the island. Their spending amounts to about \$138 million of the total.

Implementation of the trails for tourism strategy will have a number of positive impacts on these numbers. Based on an analysis of available data, we provide the following estimates of incremental visitation and spending (over and above the spending of trail user visitors currently):

- Visitors that currently visit and participate in trail activity while in Cape Breton would increase their level of spending because of the new opportunities and the marketing. Estimated incremental spending in Cape Breton - \$4 million annually.
- Visitors that currently visit and participate in trail activity while in Cape Breton would also increase their length of stay because of the new opportunities. Estimated incremental spending - \$13.5 million annually.
- Some visitors that don't currently participate in trail activity will be induced to do so. Estimated incremental spending - \$2.7 million annually.
- New visitors (and repeats) will be attracted to the island because of the new offer and the marketing. We estimate some 40,000 additional person visits and incremental spending of some \$21.6 million annually.

This totals \$41.8 million in incremental spending annually, an 18% increase in total tourism spending in Cape Breton.

Other Benefits

Other benefits will accrue to individuals, businesses, trail groups and communities, as follows:

Benefits to individuals:

- Expanded and upgraded availability of trails for resident use
- Enhances the appeal of Cape Breton as a place to live, and to locate
- Enhances the appeal of Cape Breton as a place to establish a business, leading to new employment opportunities

Benefits to Businesses:

- Creates new opportunities for existing businesses
- Expands the volume of business available to the island's tourism sector in particular
- Strengthens the position and awareness of Cape Breton as a tourism destination
- Diversifies the market mix and business base for the island

Benefits to Trail Groups:

- Improves their trail
- Provides new support services and funding for their trails
- Increases trail usage, and generates new revenue sources for supporting the trail

Benefits to Communities:

- Improves community and area recreational infrastructure
- Expands tourism
- Improves the appeal of communities as places to live
- Attracts new businesses to the island