

A Breath of Fresh Air: A Business Strategy for Outdoor Tourism Product Development in Canada



Discover our true nature

CANADIAN
TOURISM
COMMISSION



COMMISSION
CANADIENNE
DU TOURISME





National Library of Canada cataloguing in publication data

Canadian Tourism Commission. Industry and Product Development
Committee. Outdoor Tourism Product Development Subcommittee

A Breath of Fresh Air:
A Business Strategy for Outdoor Tourism Product Development in Canada

Issued also in French under title: Une bouffée d'air frais :
une stratégie commerciale pour le développement de produits de tourisme
de plein air au Canada

ISBN 0-662-31260-0
Cat. No. C86-129/2001E

1. Aventure and adventurers -- Canada.
 2. Ecotourism -- Canada.
 3. Tourism -- Canada.
- I. Canadian Tourism Commission.
II. Title.

G155.C3C32 2001 338.4'791'04648 C2001-980332-X

A Breath of Fresh Air: A Business Strategy for Outdoor Tourism Product Development in Canada

Table of Contents

Preface	1
Introduction	1
Defining Outdoor Tourism	2
Ecotourism	2
Adventure Tourism	2
Activities That Comprise Outdoor Tourism	3
Situation Analysis	3
A Growing Market Opportunity	3
A Solid Product Base	4
Challenges and Barriers to Growth in the Outdoor Tourism Industry	4
Principles of the Business Strategy	5
Strategy 1 – Research	5
Objective	5
Strategies and Actions	5
Strategy 2 – Product Development	7
Objective	7
Strategies and Actions	7
Strategy 3 – Marketing	8
Objective	8
Strategies and Actions	8
Strategy 4 – Training and Education	9
Objective	9
Strategies and Actions	9
Strategy 5 – Industry Stakeholder Communications	9
Objective	9
Strategies and Actions	9
Conclusion	11
Outdoor Tourism Product Development Subcommittee	12

Canadian Tourism Industry

Vision

Canada will be the premier four-season destination to connect with nature and to experience diverse cultures and communities.

Mission

Canada's tourism industry will deliver world-class cultural and leisure experiences year-round, while preserving and sharing Canada's clean, safe, and natural environments. The industry will be guided by the values of respect, integrity and empathy.

Preface

The Canadian Tourism Commission (CTC) works in partnership with Canada's tourism industry to increase the country's supply of market-ready tourism products and experiences. This involves improving the quality of existing products as well as the quantity of these products, and expanding the range of products available.

In view of the business cycle, there is a continuum that consists of research, product development, marketing and sales—with each function depending on the others.

Effective product development depends upon research, while marketing and sales depends upon having a ready supply of the right products. At the same time, there must be regular feedback from marketing and sales to product development to validate that product development work is relevant to market needs.

Introduction

Research confirms that Canada's great outdoors stands out as our most appealing tourism feature to prospective Canadian and international visitors alike. This fact is reflected in the selection of "Discover our true nature" as the slogan to be used in all CTC advertising.

However, today's tourists are looking for more than beautiful vistas. They want to experience

nature first-hand, whether its hiking or cycling, whitewater rafting or canoeing or sea kayaking, fishing or bird watching, wilderness camping or staying at luxury resort. In each case, the experience is heightened by a variety of tourism businesses that provide interpretive programs, guiding services, equipment rentals, accommodations, etc.

Canada has a wealth of natural and human resources to support a thriving and competitive outdoor tourism industry. Every province and territory presents a unique series of opportunities and tourism products, which appeal not only to our domestic, but also to important international markets.

Canada is benefiting from an increasing international interest in outdoor tourism activities, and is receiving a greater profile as a major outdoor adventure travel destination. There is increasing opportunity to attract visitors interested in these types of activities.

Acknowledging this international demand, the supply side of the outdoor tourism industry is now striving to provide a range of high quality products demanded by internationally experienced and knowledgeable travelers. Canada is experiencing a strong increase in new businesses in this sector, increasing the range of established outdoor-based products and providing a wider range of choices for travelers. The industry is in an expansionary and developmental stage.





Emerging businesses, operators and guides need to sharpen their business and management skills, develop good business contacts and partnerships, as well as access resources that can assist them in market research, product development,

training and human resource development. The Canadian Tourism Commission's Outdoor Tourism Product Development Subcommittee was established in 1997 to assist outdoor tourism operators achieve these outcomes. With a renewed commitment from its parent Committee, the CTC's Industry and Product Development Committee, the Outdoor Tourism Product Development Subcommittee is poised to take on a continuing, industry-led approach in maintaining its established goals and objectives and moving forward to meet the challenges of the current decade and beyond.

Defining Outdoor Tourism

Because of the market potential for outdoor tourism in Canada, and because this industry sector is characterized by thousands of small operators, many of whom need product development support, ecotourism and adventure travel have been identified as priorities for the CTC's product development

program. Although there is much discussion about the definitions for ecotourism and adventure travel, the CTC Outdoor Tourism Product Development Subcommittee uses the following definitions.

Ecotourism

Ecotourism is travel that creates a high level of understanding and interpretation of cultural and natural history, while safeguarding the integrity of ecosystems. It produces economic benefits to local communities that encourage resource preservation and sustainable tourism development practices.

Adventure Tourism

An outdoor leisure activity that generally takes place in an unusual, exotic, remote or wilderness setting, usually involving some form of unconventional means of transportation, and tending to be associated with low or high levels of physical activity. The activity may entail some element of risk.



Activities That Comprise Outdoor Tourism

The outdoor tourism product in Canada is comprised of a wide array of activities including:

Bird watching	Sea kayaking
Bungee jumping	Mountain biking
Charter boat excursions	Caving
Camping expeditions	Rafting
Canoeing	Rock/ice climbing
Horseback riding	Sailing
Snowshoeing	Skiing
Snowmobiling	Ski touring
Storm watching	Hiking/backpacking
Wildlife/Nature viewing	Cross country skiing
Whale watching	Dog sledding
White water kayaking	Scuba diving
All Terrain Vehicle Touring	Heli hiking
Fly fishing	Heli skiing

Situation Analysis

A Growing Market Opportunity

Outdoor tourism is growing around the world. Canada is well positioned to attract much of this growth and the outdoor tourism industry in Canada has grown 15% per year over the past five years.

The market is expected to increase significantly and international demand will rise. The largest and fastest growing travel markets (young seniors and baby boomers in the 35-55 years

old bracket) are wealthier, better educated and want to travel. They are seeking new and more enriching experiences related to adventure, nature and culture. These travelers are becoming more demanding, looking for highly specialized guiding services as well as



personalized service.

While spending money appears not be a concern, the best value for the money spent is desired.

Trends indicate that a growth in off season travel is being noted and that visitors are more

and more looking for

excitement; an "authentic" outdoors experience and in some cases, an element of risk. In addition, aboriginal and cultural tourism products are of high interest amongst this group.

Current research shows that women are now playing a more important role in travel decisions. Another trend is an exponential growth in Internet use for travel research and purchasing. A rapidly increasing number of outdoor tourism related operators are now attracting potential customers, allowing them to plan and book their trips through well designed and marketed websites.

A Solid Product Base

Canada has a tremendous wealth of quality outdoor tourism experiences. There are over 2000 outdoor tourism operators in Canada. In addition, there are many opportunities remaining for additional product development.

Canada's outdoor tourism product is world-class, competing with Nepal, New Zealand, Costa Rica, Belize, Australia, Kenya and the United States. Canada has enviable future value because of its extensive, untapped natural resource base.

Canada's extensive arctic, mountain, coast, and lake topography facilitate a wide variety of product possibilities.

Challenges and Barriers to Growth in the Outdoor Tourism Industry

- Development of operator business skills in:
 - Strategic business planning.
 - Market research and product development.
 - Effective product marketing and partnership marketing.
- Development of more comprehensive packages offering outdoor activities mixed with cultural and learning experiences.



- Lack of professional development resources available to the industry (for both management and guides).
- Improvement in the quality of current products that are not "market ready".
- Diversifying and improving the utilization of natural resources to effectively access emerging markets for outdoor tourism.
- Development of new packages tailored to the ageing population and their expectations.
- More focused and coordinated efforts with outdoor guide training.
- Updating of statistical information related to the economic impact and

performance measurements of this sector.

- An increasing focus on sustainable product delivery and management which includes:

- Growing outdoor tourism within sustainable carrying capacities.

- Planning and designing product offerings in ways

that enhance capacity and limit impact.

- A commitment to blend in with the community and the environment.
- Effective community consultations in planning.
- Managing facilities and outdoor tourism products in ways to prevent and mitigate impacts and that respect local values.
- Educating employees and customers to conduct themselves in environmentally responsible ways.

- Maximizing yield by managing demand.
- Expanding the four-season offering while cognizant of the balance necessary between ecological impact and enhanced economic benefit.
- Responsible marketing to avoid product misrepresentation and to communicate the commitments expected of the visitor.
- Attracting responsible investment by owners, investors, managers that adopt the ethics of environmental, social and economic sustainability.
- Lack of wide spread communication linkages business-to-business and business-to-government.
- Resolving public agency regulatory concerns to ensure a balanced, progressive approach to sustainable outdoor tourism development.

- 4. Increase the capability of outdoor tourism operators.
- 5. Be chosen with a mid- to long-range industry view.

Strategy 1 – Research

Objective

In conjunction with the CTC's Research Group, the CTC Outdoor Tourism Product Development Subcommittee will ensure relevant research that supports and adds to the body of knowledge required for the outdoor tourism industry to develop to a more mature and professional industry in Canada.

Strategies and Actions

1.1 Develop benchmark and performance indicators

- Develop an evaluation framework of performance indicators for outdoor tourism. This may include financial, market, social, cultural and environmental indicators.

1.2 Conduct and compile economic impact studies

- Carry out research programs on the outdoor tourism sector as required to gather economic impact data.

Principles of the Business Strategy

The business strategies and actions of the CTC Outdoor Tourism Product Development Subcommittee are directed by five principles. The business strategies of the Subcommittee should:

1. Create increasing, broad-based industry support and buy-in of Canadian Tourism Commission outdoor tourism programs.
2. Increase revenues and profit for Canadian outdoor tourism operators.
3. Foster environmentally sustainable outdoor tourism products.



- Compile economic impact data and estimate the size, scope and economic impact of the industry as a whole in Canada.

1.3 Conduct research that will facilitate the financing of outdoor tourism businesses

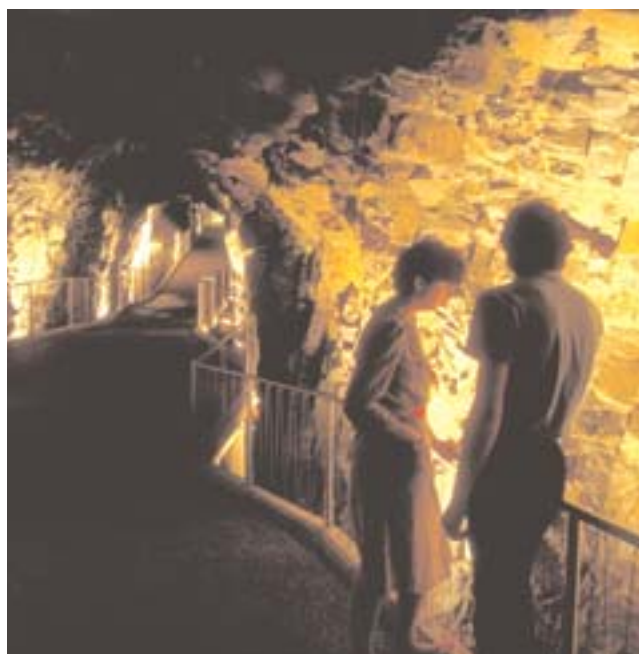
- Determine industry sector financial performance indicators.
- Influence Statistics Canada reporting and data collection on the outdoor tourism industry.

1.4 Conduct research on professional development needs

- Determine the professional development needs of the outdoor tourism industry in order to develop responsive materials and training programs.

1.5 Analyse, synthesize and communicate data

- Produce and disseminate credible, informed highlights of research



gathered in a user-friendly and useful format to industry and government.

- Determine additional research requirements.

1.6 Conduct research that will facilitate a sustainable outdoor tourism industry in Canada

- Determine social, cultural and environmental performance indicators and carrying capacities.
- Facilitate academic research and data use in the area of outdoor tourism sustainability.

1.7 Create a mechanism for long-term research and data collection

- Identify means to consistently collect, analyze and communicate data on the Canadian outdoor tourism industry.
- Develop data collection standards that will assist in the collection of timely and useful data for government and industry.
- Develop strategic alliances from Canadian post-secondary institutions.

- Encourage outdoor tourism data collection agencies and researchers to share research data and findings.



materials and training opportunities.

- Provide market readiness training pilot projects and facilitate their wide-spread access within the outdoor tourism industry.

Strategy 2 – Product Development

Objective

The CTC Outdoor Tourism Product Development Subcommittee will facilitate the development of educational materials and training venues that will assist the development of new outdoor tourism products and the maturation and profitability of existing products in Canada.

Strategies and Actions

2.1 Develop and influence market-ready products

- Develop criteria for market ready products.
- Undertake selected destination assessments to determine best opportunities to for new product development.
- Draw on work already done by other agencies to support the development of market ready training.
- Continuously evolve the level of market readiness educational



2.2 Focus on packaging and enhancement of existing product

- Foster the packaging and enhancement of existing near-market-ready products and increase their appeal.
- Foster the development of key outdoor tourism sectors and focus on the concept of market "dominance".
- Inspire through example with the use of "best practices," and other techniques, that communicate successful and desirable practices.

2.3 Facilitate partnerships and packaging

- Produce training materials that facilitate partnerships and packaging.
- Hold packaging pilot projects and facilitate their wide-spread access within the outdoor tourism industry.

2.4 Evaluate the interest and feasibility of an accreditation system

- Study the effectiveness and applicability of rating or accreditation systems that would serve to inform travellers about the level of readiness of outdoor tourism operations.

2.5 Develop and influence sustainable products

- Develop criteria for environmentally, culturally and socially sustainable outdoor tourism products in Canada.
- Facilitate work already done by other agencies to support the development of sustainability training and operations.
- Continuously evolve the level of sustainability educational materials and training opportunities.
- Provide sustainability training pilot projects and facilitate their wide-spread access within the outdoor tourism industry.



Strategies and Actions

3.1 Cooperative Marketing Partnership Development

- Foster the development of national, regional and sector cooperative partnerships for Canadian outdoor tourism products in order to achieve critical mass and to achieve meaningful public-private sector investments in CTC marketing programs.
- Develop travel trade and media distribution channels to influence buyer-seller relationship marketing.

3.2 Raise the profile of outdoor tourism amongst all stakeholders

Strategy 3 – Marketing

Objective

The CTC Outdoor Tourism Product Development Subcommittee will work closely with the CTC's Marketing Committees in seeking to ensure that the outdoor tourism product is effectively represented in CTC marketing campaigns.

- Alert Canadian outdoor tourism operators of CTC marketing program opportunities.
- Advise CTC Marketing Committees of new product offerings and potential new cooperative marketing partners.
- Provide input to the design/content of outdoor travel-oriented marketing, Internet and media/PR initiatives offered by the CTC.
- Provide feedback regarding CTC marketing efforts aimed at supporting outdoor tourism operators.

Strategy 4 – Training and Education

Objective

The CTC Outdoor Tourism Product Development Subcommittee will encourage and facilitate the training and education of outdoor tourism guides and business operators in Canada, in partnership with Canadian stakeholders in tourism human resource development.



Strategies and Actions

4.1 Facilitate professional development training

- Develop and pilot project training opportunities that focus on business development and management.
- Concentrate on facilitating professional development opportunities for existing business operators.
- Concentrate on the development of well researched training curriculum that is practical, niche oriented, and that brings buyers and sellers together.
- Provide training pilot projects and facilitate their wide-spread access within the outdoor tourism industry.
- Facilitate training that will be ongoing and evolutionary in nature.

4.2 Facilitate training that is national in nature

- Concentrate on training that has wide-spread application.
- Concentrate on training that is cost-effective.
- Concentrate on training that does not duplicate other agency efforts.
- Concentrate on training that is original and developmental in nature.
- Concentrate on training that raises the standard of outdoor tourism operations in Canada.

Strategy 5 – Industry Stakeholder Communications

Objective

The CTC Outdoor Tourism Product Development Subcommittee will facilitate effective communication mechanisms and business linkages within the outdoor tourism industry.

Strategies and Actions:

5.1 Develop information materials on outdoor tourism and distributing these through existing industry channels and the Internet.

- Produce special reports, information resources about outdoor tourism and distribute these through key professional



communication with industry.

- Promote wide spread awareness amongst industry stakeholders on outdoor tourism information contained in the CTC's Reference Centre as well as encouraging industry to make more use of other information-based clearing houses for needed industry sector related information.

industry associations, and industry-targeted print and electronic communication channels.

- Use appropriate technology as a way to easily communicate information to all parts of the country. Facilitate a hot links web page on CTX that will assist relevant, industry-led associations/organizations to promote their services and handle direct enquiries for research, product development or marketing information on outdoor travel.
- Produce CTC articles and encourage industry to submit articles on outdoor tourism on a regular basis through TOURISM Magazine to highlight industry support of the product line. Establish linkages to other relevant national provincial and regional newsletters to encourage wide spread

5.2 Create Formal Linkages between Federal and Provincial Agencies

- Hold annual joint meetings between the CTC's Product Development staff and Provincial-Territorial staff responsible for Product Development as well as regional industry development agencies [ACOA, WED and FedNor] to encourage networking, work plan information exchanges, and development of partnered initiatives designed to promote continued product development across priority product lines [including outdoor tourism].

- Facilitate, sponsor or participate in relevant national or provincial meetings, conferences and educational programs to increase the visibility and awareness of the CTC's involvement in outdoor tourism.
- Encourage linkages with other CTC product portfolios such as Cultural Tourism, Cuisine, Winter and Product Clubs to foster dialogue on common issues; encourage the creation strategic alliances or mutually beneficial partnerships among product lines and share best practices.

5.3 Communicate to governments and financial institutions the importance of outdoor tourism

- Convince all senior levels of government, regional development agencies and financial institutions to continue investing in outdoor tourism operations as a tourism investment as well as an investment in job creation and skills development.
- Use economic impact studies and sector performance measurement data on outdoor tourism operations to convince governments and financial institutions to make informed, responsible investment decisions in outdoor tourism assets, given the sector's important contribution to Canada's economy.

Conclusion

Outdoor tourism presents an enormous opportunity for the tourism industry in Canada. It is important to coordinate the development and direction of its potential.

This Business Strategy is derived from a number of years of activity, CTC involvement and numerous research studies on industry demand. It responds to issues identified and articulated by industry stakeholders and sets the stage for significant contributions to the development of the outdoor tourism industry.

The strategies outlined in this plan will provide strategic direction for the Outdoor Tourism Product Development Subcommittee and will provide a framework to determine cooperative actions and partnership funding opportunities between the Canadian Tourism Commission and the outdoor tourism industry at large.



Outdoor Tourism Product Development Subcommittee

Members of the CTC's Outdoor Tourism Product Development Subcommittee are:

Neil Hartling

Lori Waldbrook

Barry Griffiths

Stan Cook, Jr.

K. Ross Cloutier

Ralph Johansen

Maureen Pokiak

Jean-Charles Fortin

Nahanni River Adventures – Committee Chair

Ontario Tourism Marketing Partnership

Worldwide Quest International and Quest Nature Tours

Wilderness Newfoundland Adventures

University College of the Cariboo

Canadian Tourism Commission [USA Sales]

Ookpik Tours

Globe-Trotter Aventure Canada

Subcommittee Secretariat:

Frank Verschuren, , Coordinator – Outdoor Tourism Product Development
Canadian Tourism Commission
55 Metcalfe Street, Suite 600
Ottawa, Ontario
K1P 6L5

Tel: 613-954-3947

Fax: 613-954-3964

Email: verschuren.frank@ctc-cct.ca

Website: www.canadatourism.com