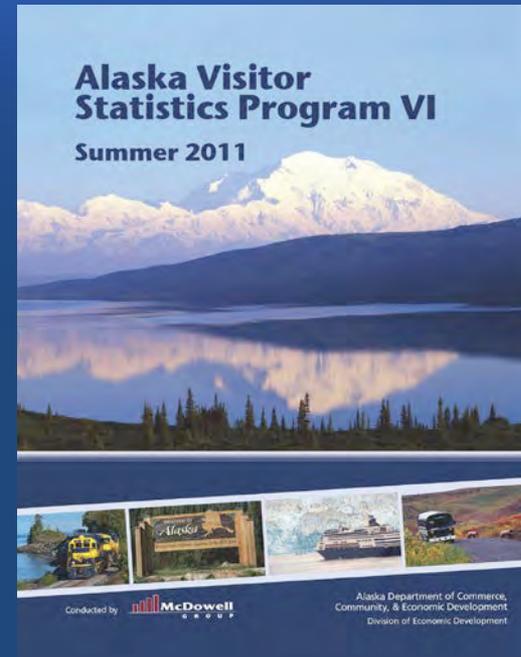


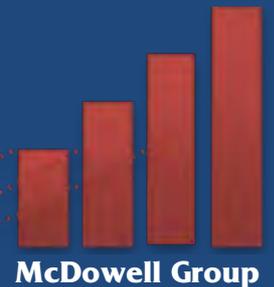
Alaska Visitor Statistics Program VI

Prepared for:
Alaska Travel
Industry Association

Prepared by:
McDowell Group, Inc.
Anchorage · Juneau
March 2012



*"Celebrating 40 years of excellence in
research & consulting."*



Presentation Contents

- ◆ Methodology Overview
- ◆ Visitor Volume
- ◆ Survey Results



McDowell Group

- ◆ 2,000+ research and consulting projects since 1972
- ◆ Offices in Juneau and Anchorage
- ◆ Conducted five out of six AVSPs since 1985
- ◆ Visitor industry services:
 - ◆ Visitor and customer surveys
 - ◆ Community tourism planning
 - ◆ CVB member surveys
 - ◆ Economic impact analysis
 - ◆ Feasibility and business planning



What is AVSP?

- ◆ **Periodic year-long study of out-of-state visitors to Alaska**
 - ◆ Six studies since 1985
 - ◆ Traffic updates in interim years
 - ◆ Summer: May-September, Fall/Winter: October-April
- ◆ **Commissioned by DCCED, Office of Economic Development**
- ◆ **Two main components**
 - ◆ Visitor traffic estimates
 - ◆ Visitor survey



Visitor Traffic

- ◆ **Passengers tallied: resident versus visitor**
 - ◆ Air and highway modes; not cruise or ferry
 - ◆ Tally locations:
 - ◆ Anc, Fai, Jun, Sit, Ktn airports
 - ◆ Four highway locations near borders
 - ◆ No tallies, just surveys at Ktn docks and ferry terminal
- ◆ **Visitor/resident ratios determined by mode, location, month**
- ◆ **Ratios applied to traffic data**
 - ◆ Air enplanements
 - ◆ Highway border crossings



Visitor Survey

- ◆ Visitors exiting the state
- ◆ Intercept and online methods used
- ◆ Survey subjects:
 - ◆ Trip purpose
 - ◆ Package type
 - ◆ Transportation modes
 - ◆ Previous & future Alaska travel
 - ◆ Length of stay
 - ◆ Destinations



- ◆ Lodging
- ◆ Spending
- ◆ Activities
- ◆ Satisfaction
- ◆ Trip planning
- ◆ Demographics



New for 2011

- ◆ Larger overall sample
 - Surveyed: 5,659 to 6,747
 - Tallied: 49,703 to 54,605
- ◆ Expanded and improved questions
 - Group AND party size
 - Package purchase behavior
- ◆ Online survey in German, Japanese, Spanish
- ◆ Larger international air sample (from 573 to 891)
 - Total international visitors: from 703 to 1,220
- ◆ Nearly all online data integrated



New for 2011: Report

- ◆ **New section on visitor industry indicators**
 - ◆ US Domestic and International traffic data
 - ◆ US economic conditions
 - ◆ Cruise industry indicators
 - ◆ Alaska indicators: highway traffic, ferry traffic, bed tax data, rental vehicle tax data, fishing license sales
- ◆ **Visitor Profile includes 2006 and 2011 data**
- ◆ **Analysis of trip planning by month/year**
- ◆ **Separate international report**
- ◆ **Added profiles of campground users, group travelers**



Market Profiles

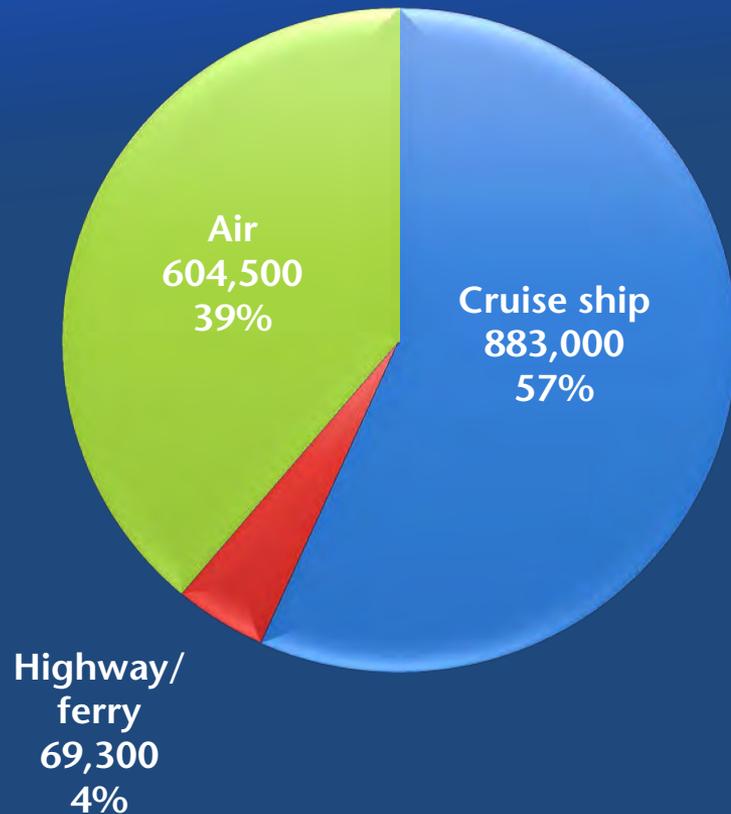
- ◆ Transportation market: Cruise, Air, Highway/Ferry
- ◆ Trip purpose: Vacation/pleasure, VFR, Business
- ◆ Highway and Ferry Users
- ◆ Origin: US Regions, Canada
- ◆ International: UK, Australia/NZ, Japan, Korea, GSE (Germany, Switzerland), Other Europe
- ◆ Alaska regions and communities
- ◆ Sportfishing, Adventure travelers, B&B, Independent cruisers, Native Culture
- ◆ NEW: Campground users, Group travelers



Visitor Volume



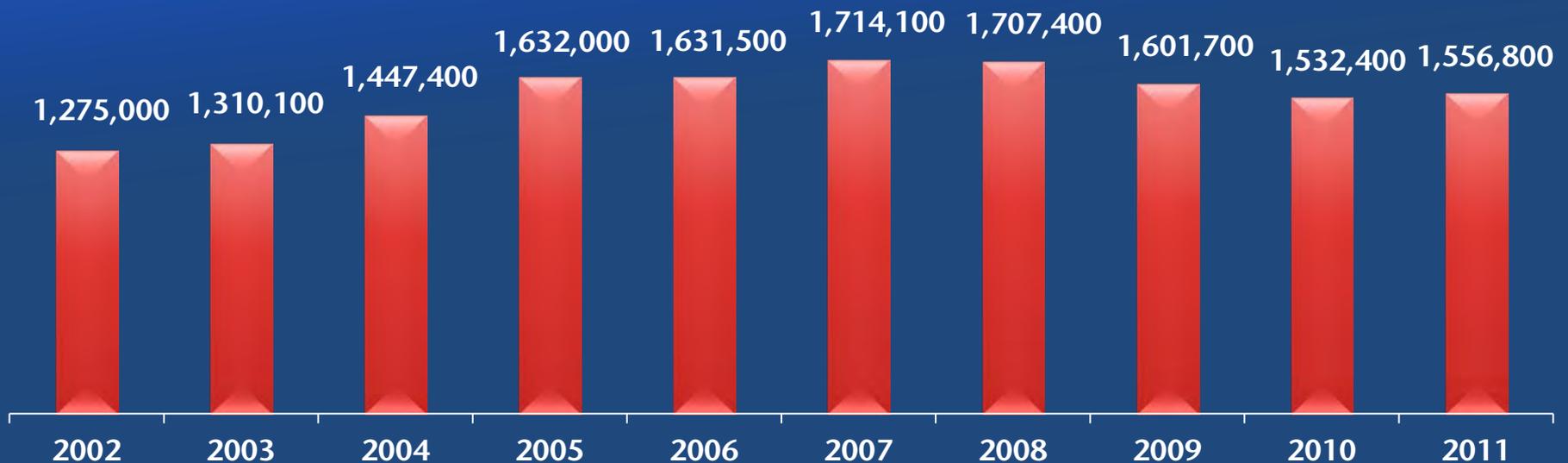
Alaska Visitor Volume Summer 2011



- ◆ Total visitors: 1,556,800
- ◆ Up 1.6% from 2010
 - +24,000 visitors
- ◆ Compared to 2006:
 - Cruise 59% to 57%
 - Air 36% to 39%
 - Hwy/ferry 5% to 4%



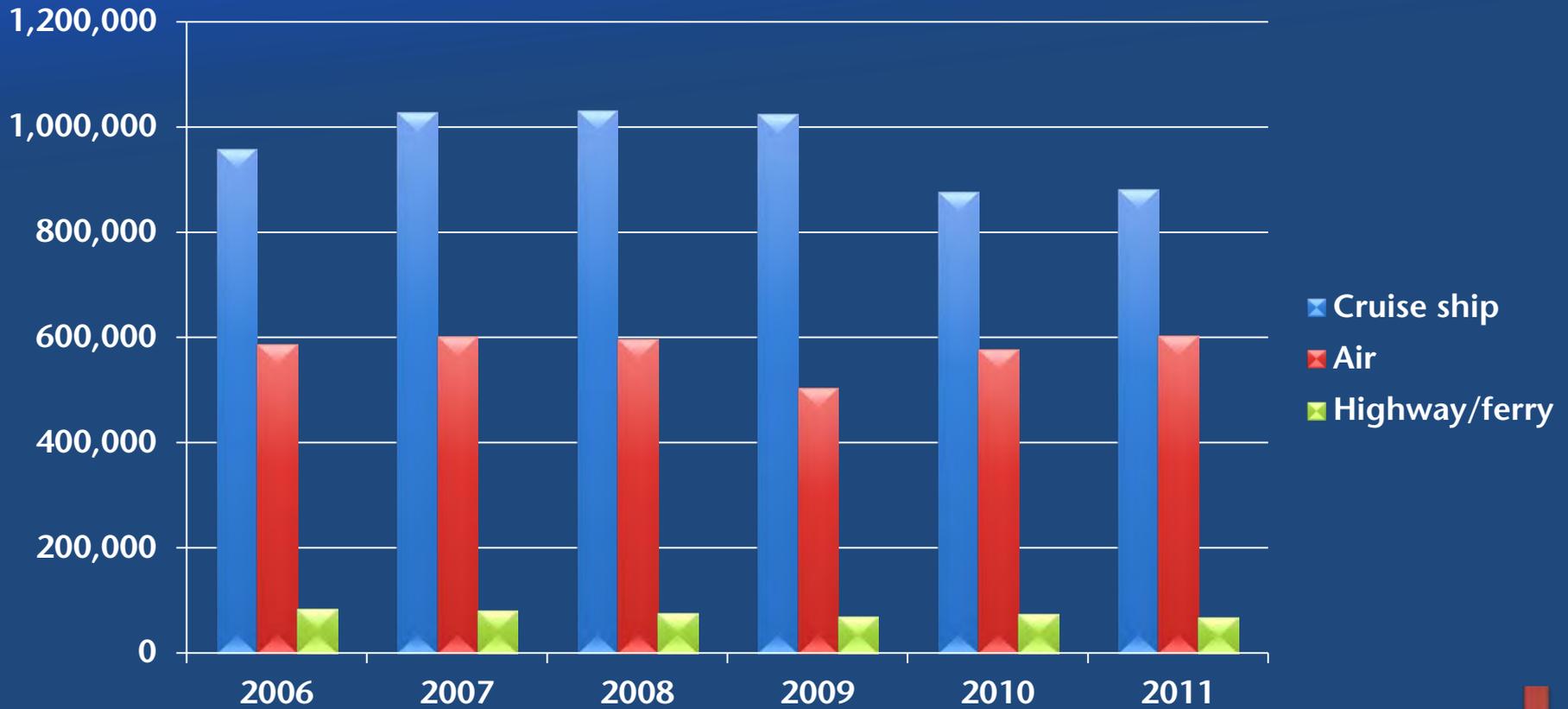
Alaska Visitor Volume, Summers 2002-2011



- ◆ Summer 2011: First increase (1.6%) since 2007 peak
- ◆ +22% from 2002 volume
- ◆ -9% from 2007 peak; -5% from 2006 (AVSP V)



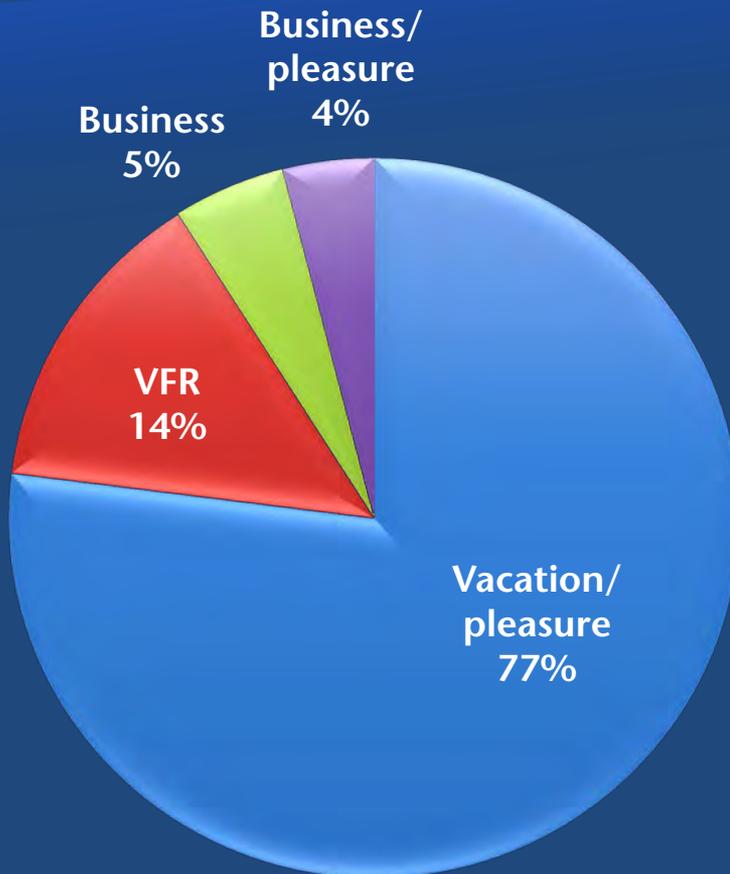
Alaska Visitor Volume, Summers 2006-2011, By Market



Survey Results



Trip Purpose



- ◆ **Vacation pleasure:**
 - ◆ 98% of cruise
 - ◆ 80% of highway/ferry
 - ◆ 43% of air
- ◆ **Shifts from 2006:**
 - ◆ Vacation/pleasure: -5%
 - ◆ VFR: +5%
 - ◆ Shifts more pronounced among air visitors



Package Purchase



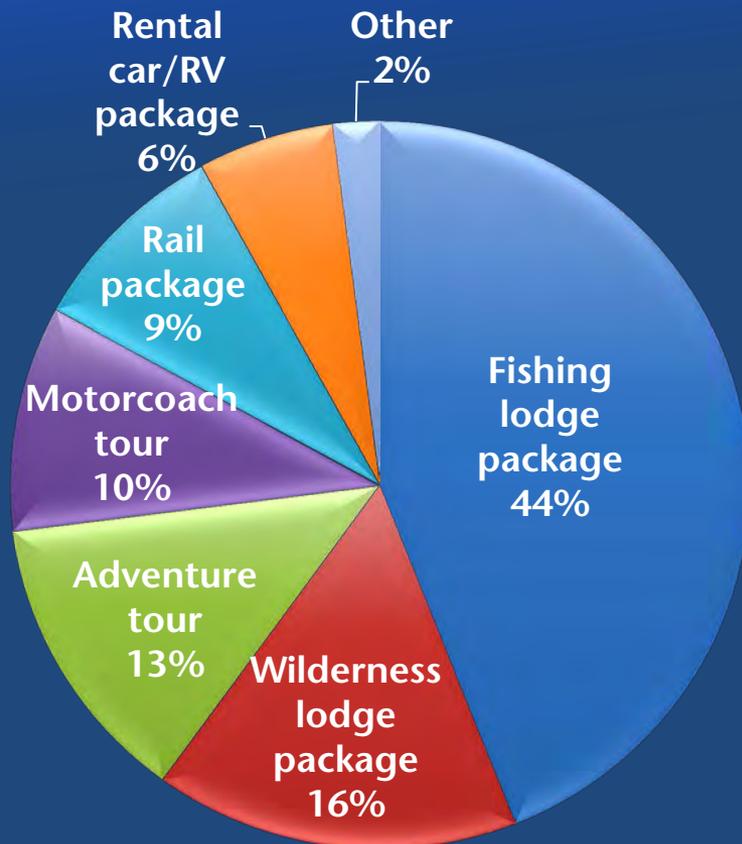
Who purchased multi-day package?

- ◆ 100% of cruise
- ◆ 18% of air
- ◆ 7% of highway/ferry
- ◆ 2011 rate of 66% down from 69% in 2006



Package Type

Base: Non-Cruise Package Visitors

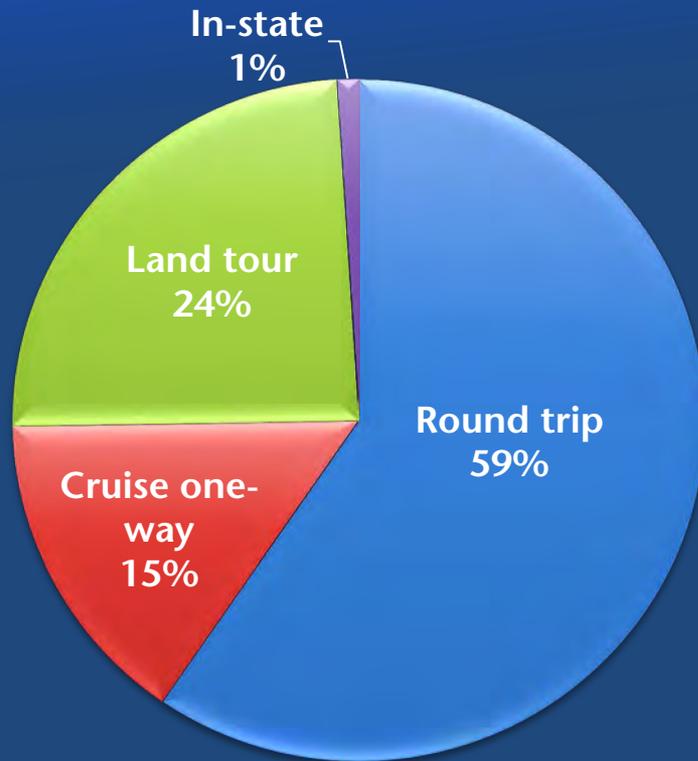


Compared to 2006...

- ◆ Fishing lodge -2%
- ◆ Wilderness lodge +3%
- ◆ Motorcoach +5%
- ◆ Rental car/RV package new in 2011



Cruise Package Type



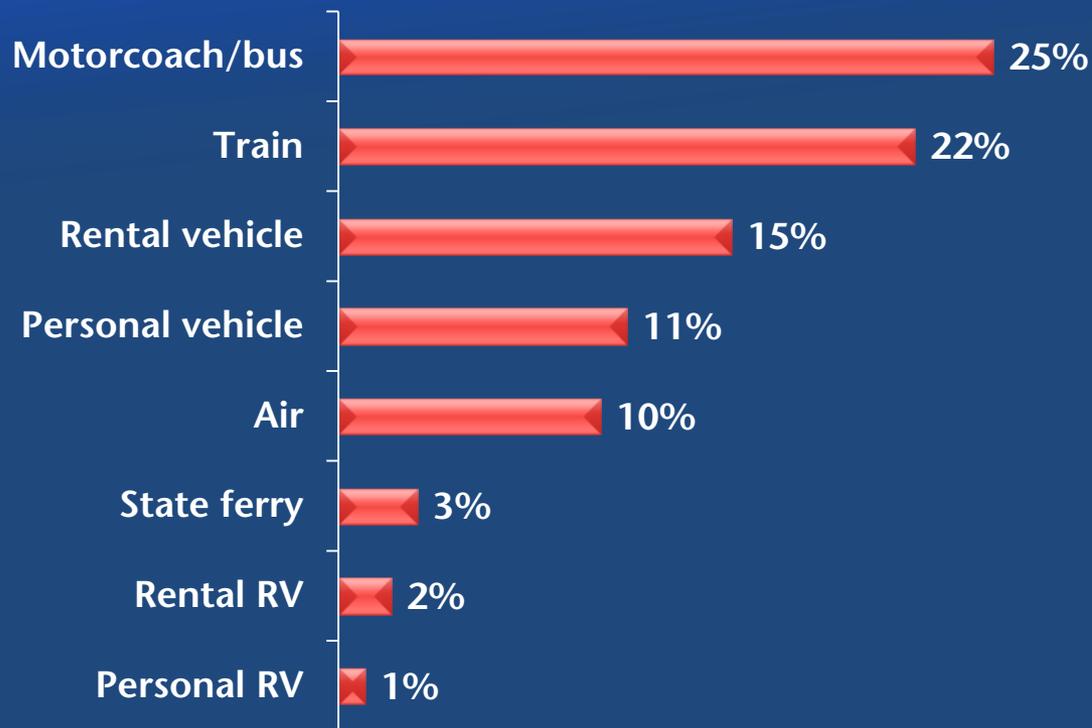
Compared to 2006...

- ◆ Round trip +7%
- ◆ Cross-gulf -7%
 - ◆ Land tour +2%
 - ◆ Cruise one-way -9%
- ◆ In-state -1%
- ◆ % who traveled independently: from 12% to 27%



Transportation Used to Travel Between Communities

(excludes cruise ship)



◆ Differences by market:

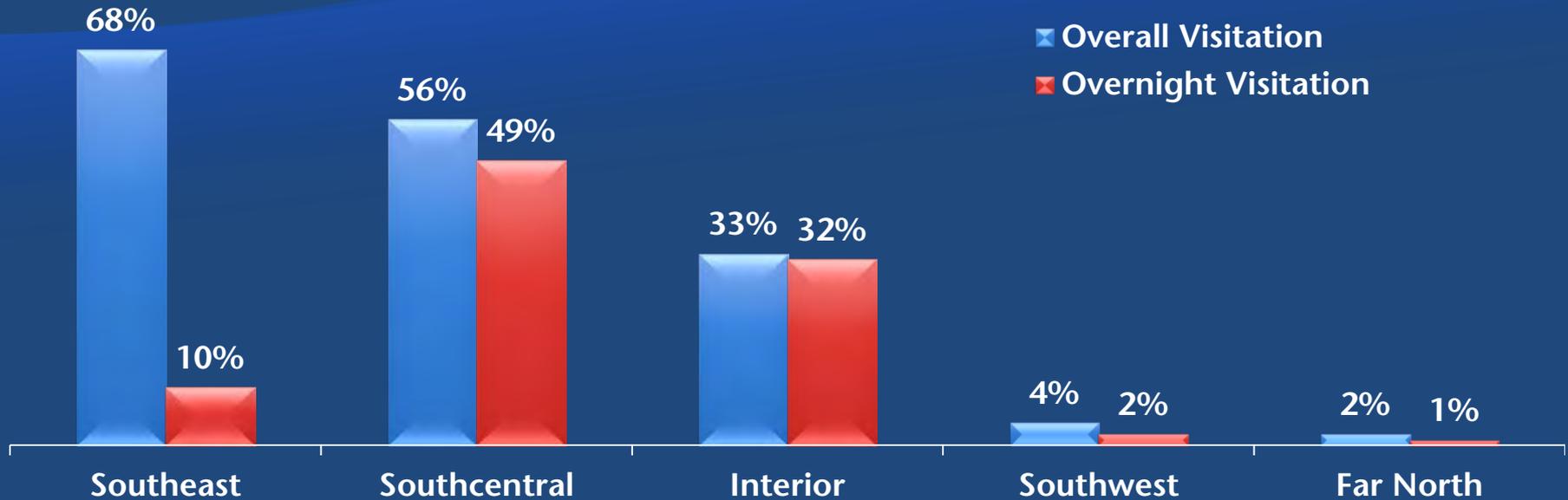
- ◆ Cruise: motorcoach, train
- ◆ Air: rental vehicle, personal vehicle, air
- ◆ Hwy/ferry: personal vehicle, RV, ferry

◆ Since 2006...

- ◆ Train +3%
- ◆ Personal vehicle +2%
- ◆ Air -2%



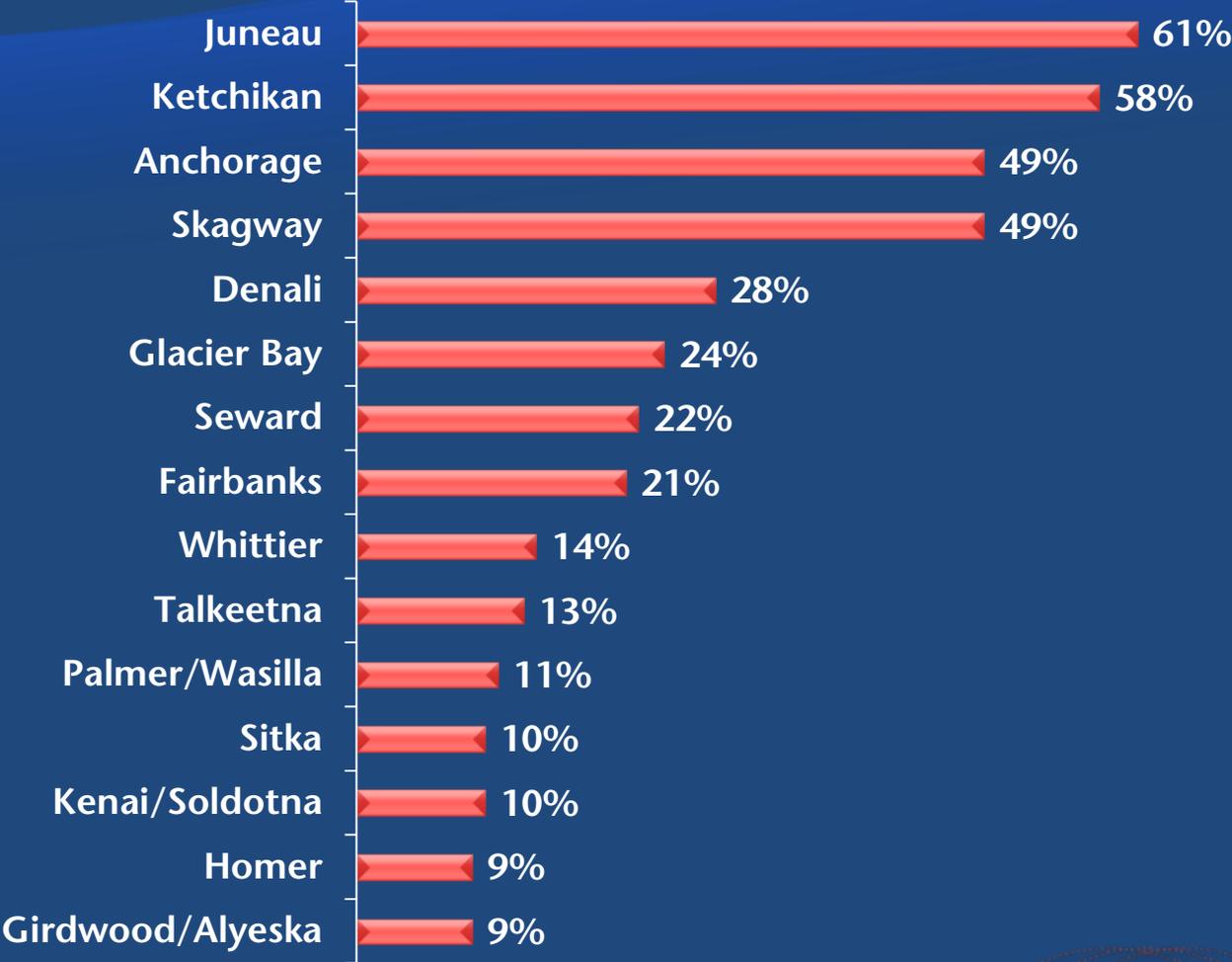
Regions Visited in Alaska, Overall and Overnight



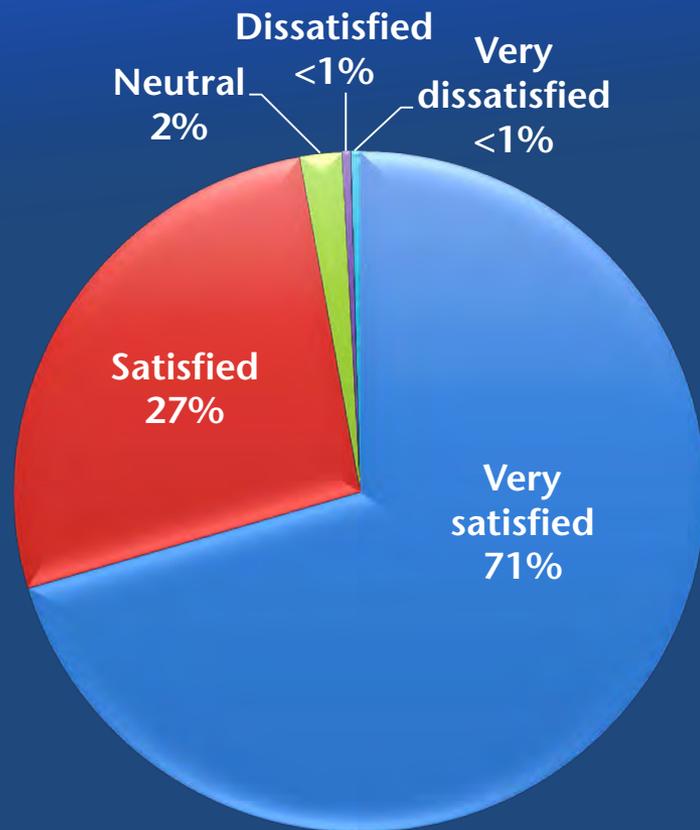
- ◆ Southeast overall visitation down 71% in 2006 to 68% in 2011
- ◆ All other visitation rates by region stayed the same or were up/down 1%



Top 15 Alaska Destinations



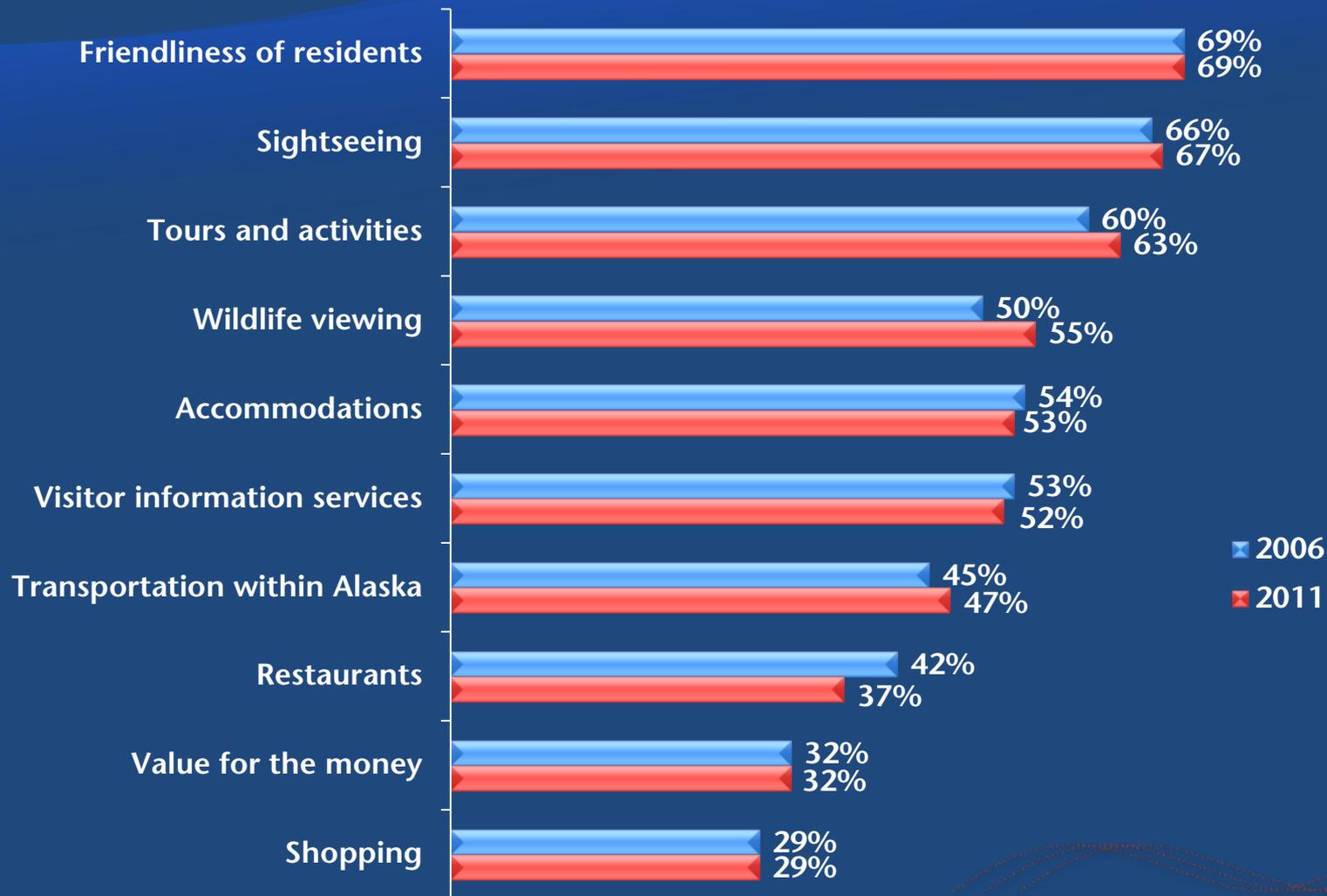
Satisfaction with Overall Alaska Experience



- ◆ **Since 2006...**
 - ◆ Very satisfied +1%
 - ◆ Dissatisfied -1%
- ◆ **Compared to expectations**
 - ◆ 63% higher
 - ◆ 2% lower
- ◆ **Value for money vs. elsewhere**
 - ◆ 37% better
 - ◆ 50% same
 - ◆ 14% worse



Percent Very Satisfied, By Category, 2006 and 2011



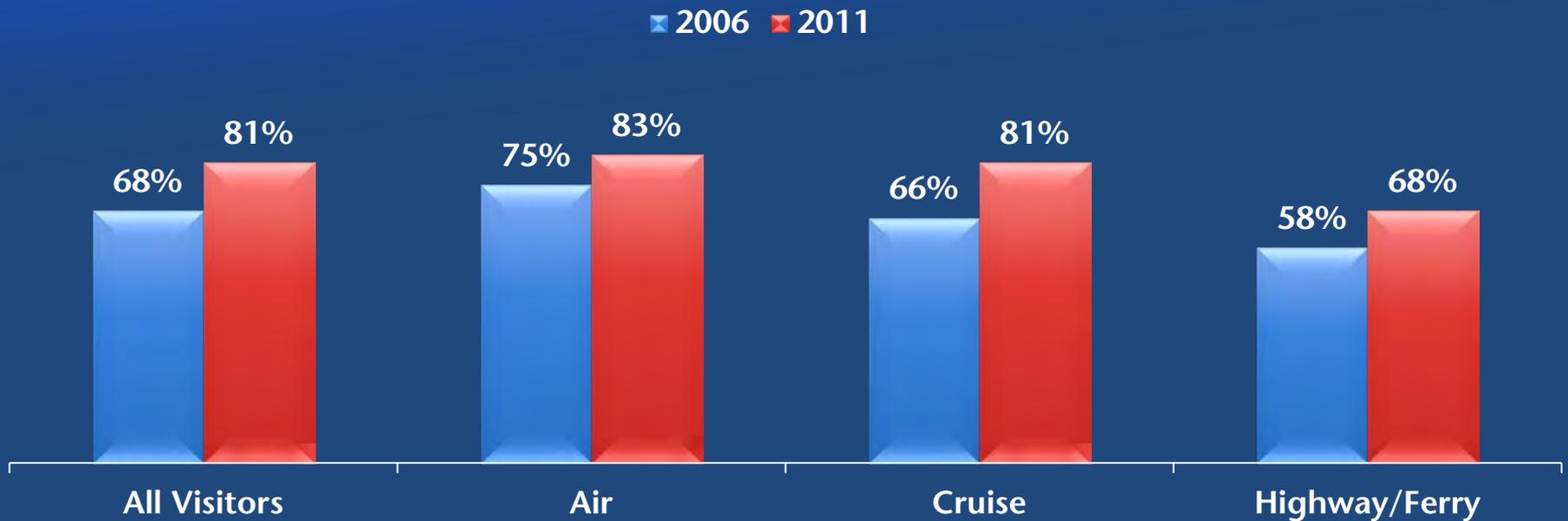
Timing of Alaska Trip Decision and Trip Booking



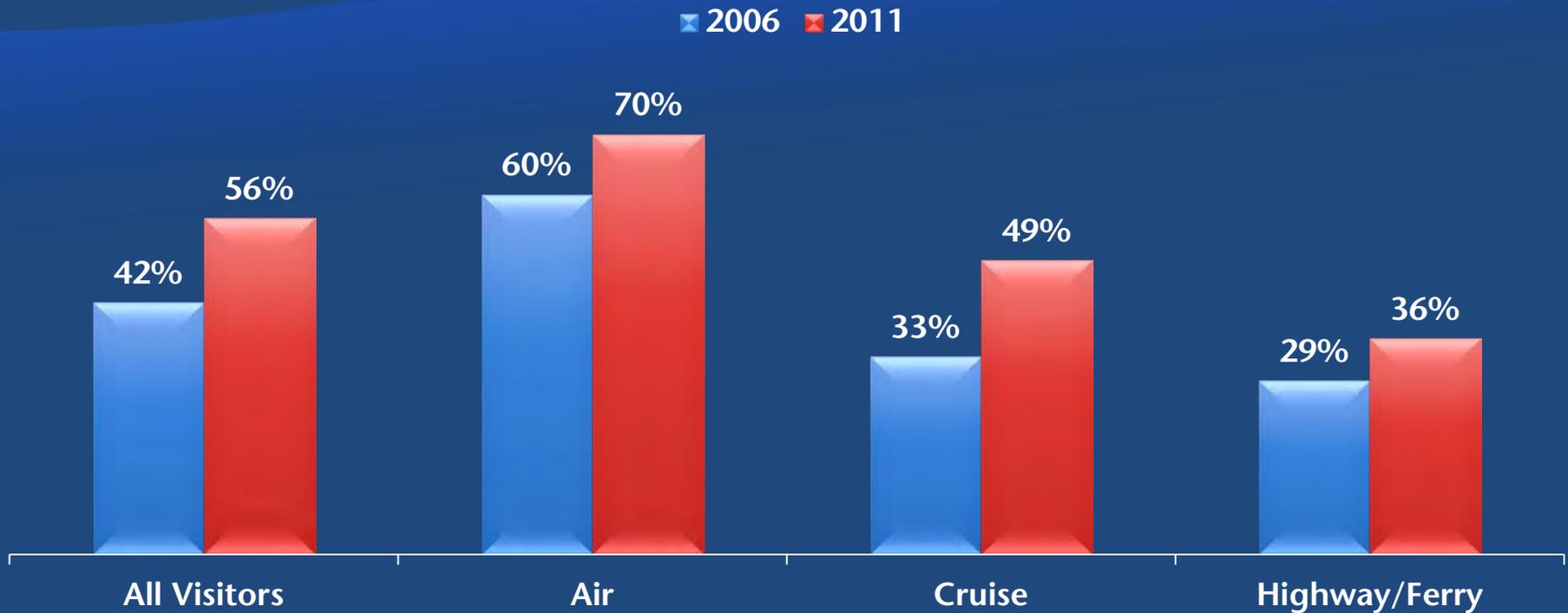
- ◆ Average advance time for Alaska trip decision: from 8.1 months in 2006 to 8.6 months in 2011
- ◆ Average advance time for Alaska trip booking: 5.4 months in both years



Used Internet to Plan Alaska Trip By Transportation Market 2006 and 2011



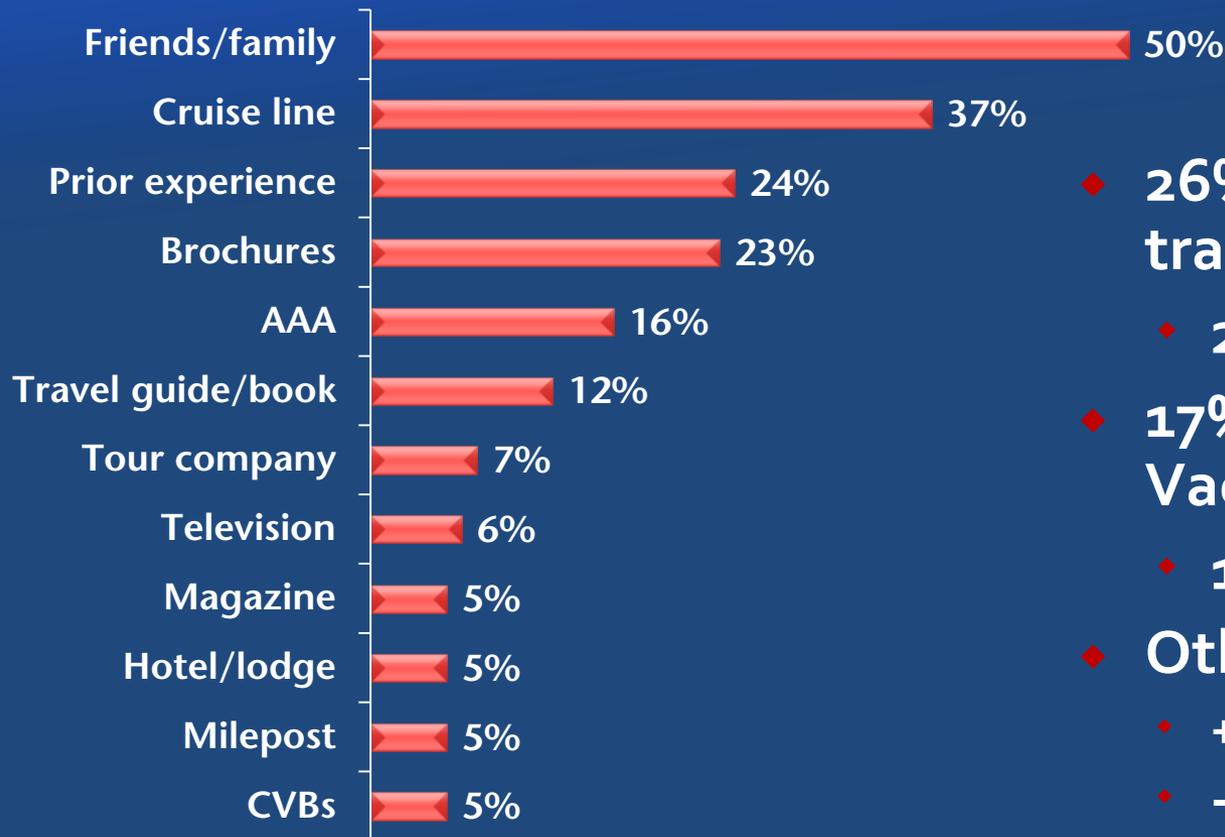
Used Internet to Book Alaska Trip By Transportation Market 2006 and 2011



- ◆ 47% booked through travel agent (down from 52% in 2006)



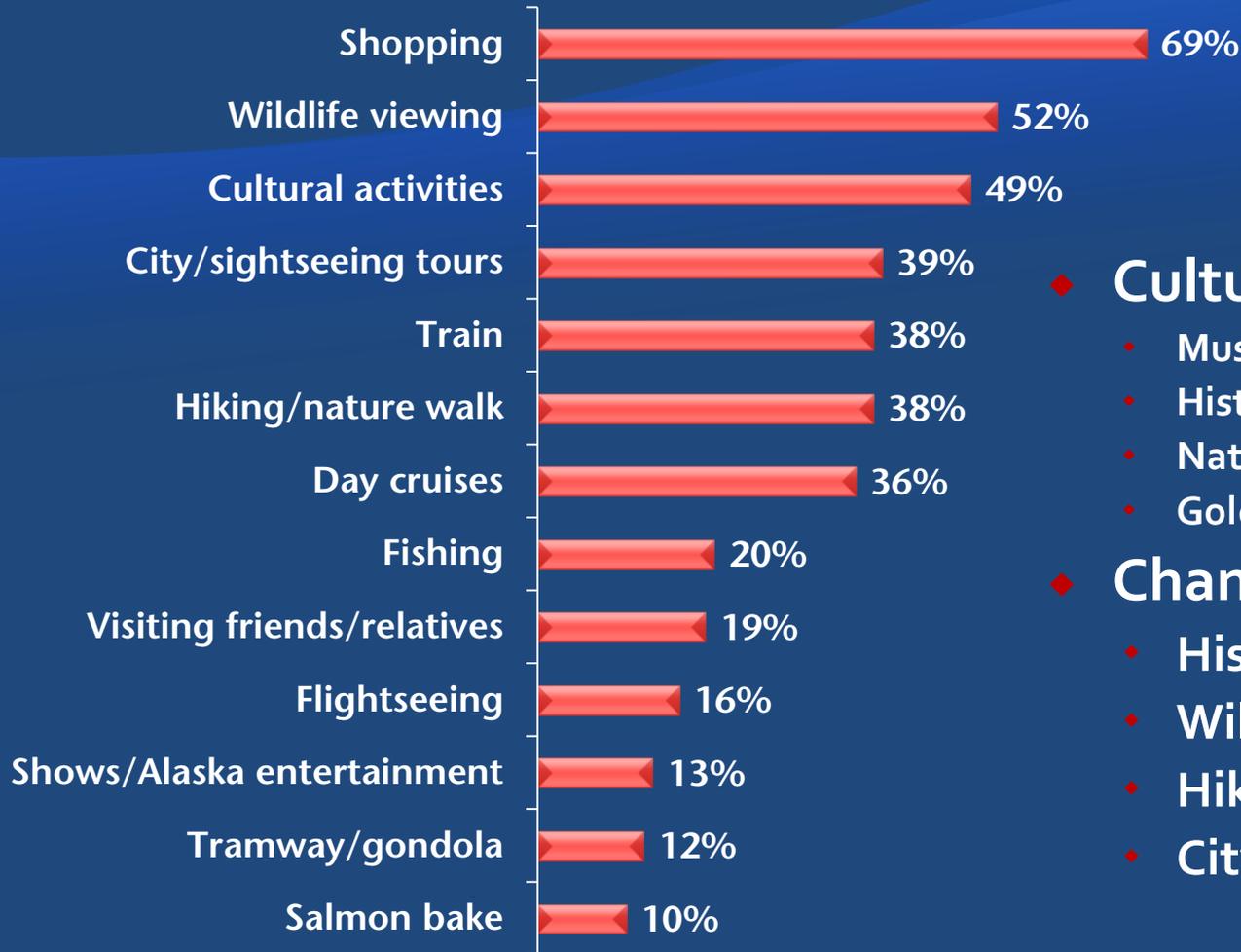
Top Additional Information Sources *Besides Internet/Travel Agent*



- ◆ 26% visited travelalaska.com
 - ◆ 23% in 2006
- ◆ 17% received Official Vacation Planner
 - ◆ 15% in 2006
- ◆ Other changes...
 - ◆ +5% friends/family
 - ◆ -5% television



Most Popular Activities



◆ Cultural activities include

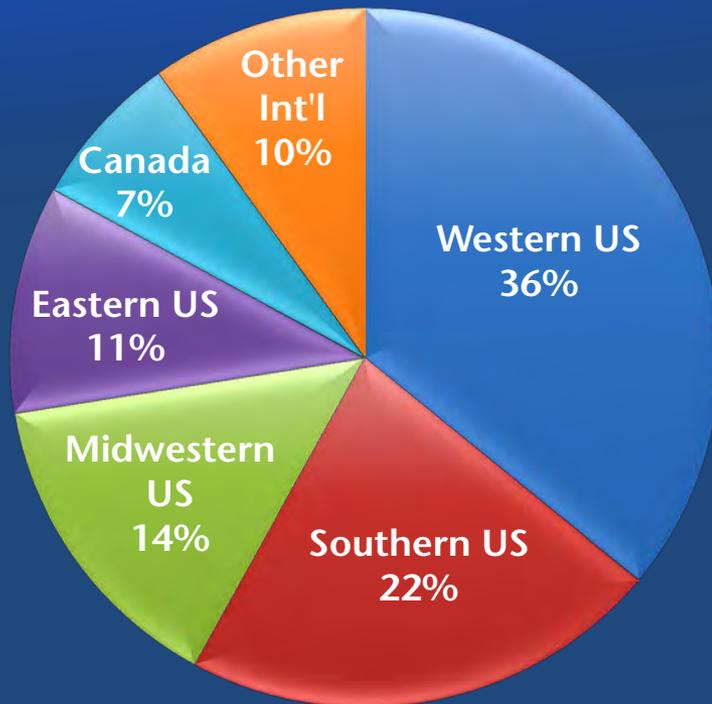
- Museums: 27%
- Historical/cultural attractions: 25%
- Native cultural tours/activities: 17%
- Gold panning/mine tour: 15%

◆ Changes since 2006...

- Hist/cult. attractions +7%
- Wildlife viewing -4%
- Hiking/nature walk +8%
- City/sightseeing tours -5%



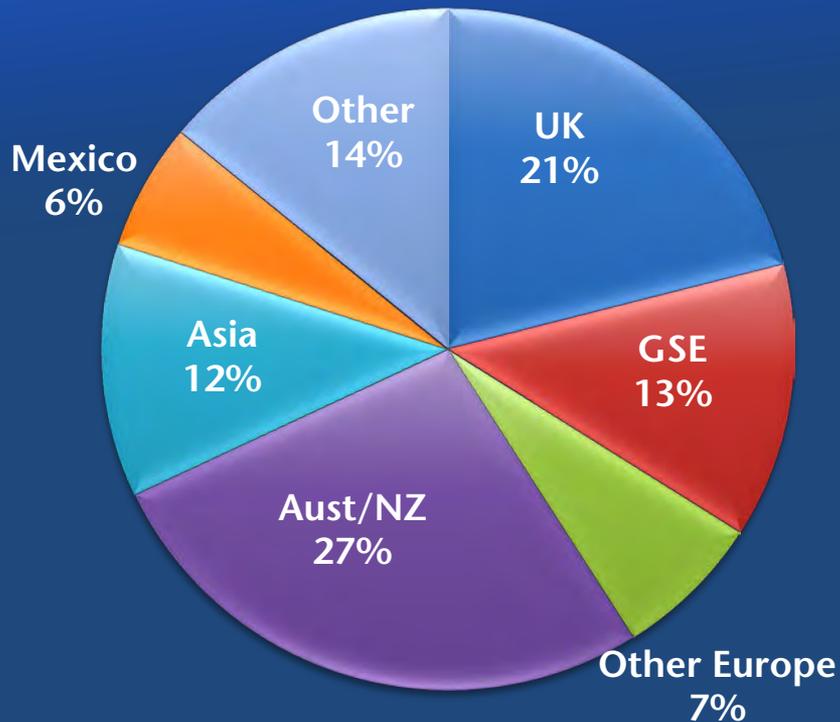
Alaska Visitor Origin



- ◆ **Top states**
 - California: 12%
 - Washington: 9%
 - Texas: 6%
 - Florida: 4%
- ◆ **Changes since 2006:**
 - US: -2%
 - Canada: +1%
 - Other Int'l: +1%
 - Western US -3%
 - Southern US +3%



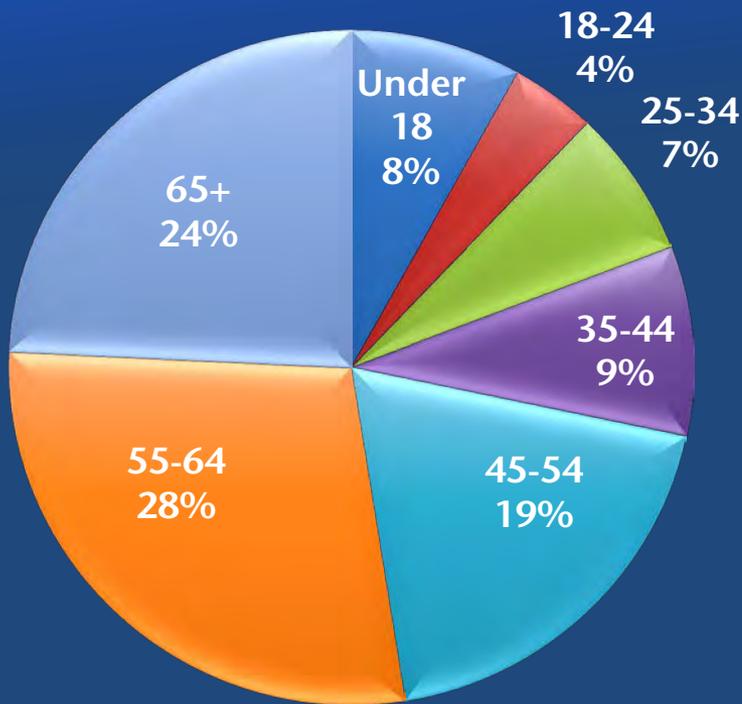
International Visitor Origin



- ◆ International visitor volume up <1%
 - From 153,400 to 154,100
- ◆ Changes in market share
 - UK -16%
 - Aust/NZ +7%
 - GSE +3%
 - Other +7%



Demographics



- ◆ **Average age: 50.7 years**
 - 51.6 years in 2006
 - <18 yrs up by 2%
- ◆ **50/50 gender ratio**
 - Same as 2006
- ◆ **Average party size: 2.5 people**
 - 2.4 in 2006
- ◆ **Average group size: 5.1 people**
- ◆ **Average income \$107K**
 - -9% in real \$ from 2006



Average Per-Person, Per-Trip Spending on Alaska Trip By Transportation Market 2006 and 2011



- ◆ Excludes spending on transportation to enter/exit Alaska and cruise packages
- ◆ Inflation-adjusted: spending down 11%



Total Visitor Expenditures in Alaska in Millions of Dollars By Transportation Market, 2006 and 2011



- ◆ Inflation-adjusted: total spending down 13%



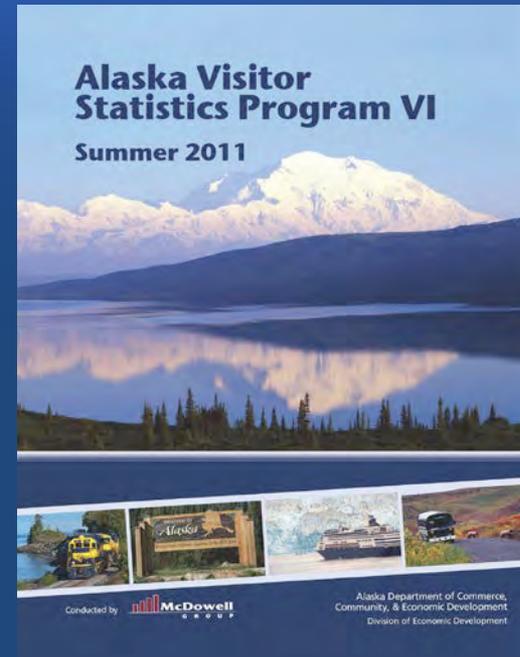
Questions



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