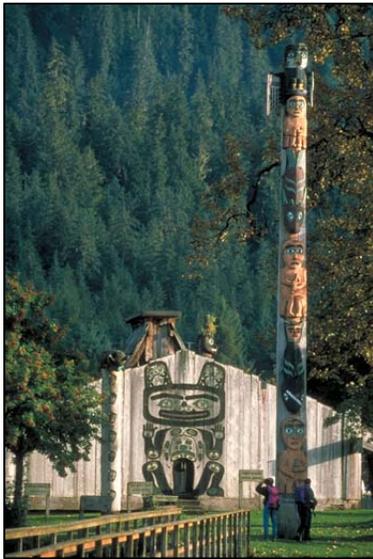


**CENTRAL SOUTHEAST  
ALASKA'S RAINFOREST ISLANDS – Heart of the Inside Passage**

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**REGIONAL BRANDING &  
MARKETING PLAN**



**A Project of the Central Southeast Regional Partnership  
and the Developing Alaska Rural Tourism (DART) Program**

[www.commerce.state.ak.us/oed/dart/home.htm](http://www.commerce.state.ak.us/oed/dart/home.htm)

Local partners include: City of Wrangell, City of Petersburg, Coffman Cove, USFS, Inter-Island Ferry Authority, Southeast Alaska Trail System ([www.SEATrails.org](http://www.SEATrails.org)), and the Prince of Wales Island Chamber of Commerce

Project sponsored by – State Department of Commerce, Community & Economic Development, and a grant from the US Economic Development Administration

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**Agnew::Beck Consulting, Anchorage, Alaska**

[www.agnewbeck.com](http://www.agnewbeck.com)

June 2006

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## **Background: the Developing Alaska Rural Tourism (DART) Program**

This report presents the work done by the Central Southeast Regional Partnership (CSERP) to increase the local benefits of tourism, working with Agnew::Beck Consulting. The report was prepared in partnership with the State's Developing Alaska Rural Tourism (DART) Program, which is sponsored in part through funds provided by the US Economic Development Administration.

The most important result of this effort is a business and marketing plan developed by the regional partnership, designed to create a compelling regional brand for Central Southeast, and establish a sustainable organization that can convey this brand over the long term.

Before describing the specifics of the Central Southeast marketing plan, the remainder of this introductory section gives an overview of the DART program.

DART represents an 18-month long partnership between the Alaska Department of Commerce, Community, and Economic Development (Commerce), the U.S. Department of Commerce's Economic Development Administration, the Alaska Department of Fish & Game, and Alaska regional economic development organizations (ARDOR's).

The project aims to utilize strategic partnerships to provide targeted technical assistance to these communities. Regions targeted for technical assistance within DART are located in rural, economically distressed geographical areas that have identified tourism development as an important piece of their regional economic development strategy.

Within Alaska, "mature destinations", commonly visited by organized groups and less adventurous travelers, often act as gateways or portals for access to more undeveloped destinations. A successful tourism enterprise in one community often attracts pioneering tourists seeking "undiscovered" rustic destinations in adjacent communities, thus stimulating entrepreneurship and economic growth.

Numerous rural communities have expressed interest in developing culturally sensitive, environmentally responsible and sustainable visitor attractions and activities. Many, however, lack the resources and technical capability to accomplish their goals. Several rural areas have utilized DART to promote and develop their cultural tourism resources, Native arts and crafts sales, outdoor recreation and adventure travel, and wildlife viewing opportunities.

This 18-month project was initiated in November 2004 and has been extended until December 2006. The following are several outcomes to date:

- Completed a comprehensive tourism business and attraction inventory for Central Southeast (Petersburg, Wrangell, Coffman Cove), Copper Valley, Bethel, and Bering Straits region.
- Developed a "brand" or an identity for central southeast Alaska - Wrangell, Petersburg, and Coffman Cove - aimed at inducing travel to the region ([www.alaskarainforestisland.com](http://www.alaskarainforestisland.com)) - including a website and brochure..
- Completed "*A Profile of Visitors to Rural Alaska*" marketing research report to gain a greater understanding of visitors to rural Alaska. Four separate reports were conducted for Central Southeast, Western Alaska, Bering Strait, and the Copper River Valley.
- Conducted Internet marketing workshops in Nome and Glennallen and provided sponsorships for 18 students to attend the *Tourism in Rural Alaska* class offered

through Prince William Sound Community College (PWSCC) in Glennallen. Some of the PWSCC students are now working in the visitor industry and some have developed a (tourism) business plan.

- Conducted several International Tourism Marketing workshops in conjunction with the Alaska Travel Industry Association (Girdwood, Fairbanks, Petersburg, Juneau, Palmer, and Valdez). Ninety small business owners were trained and 4 received scholarships to attend international trade shows (1 to German Speaking Europe, 3 to the Travel Industry Association International Powwow).
- Developed a new regional tourism website for the Greater Copper Valley Chamber of Commerce and for the Central Southeast Regional Partnership (CSERP) to provide regional visitor information and information on regional activities and attractions.
- Facilitated regional tourism stakeholder meetings in Nome, Petersburg, Dillingham, Bethel and St. Lawrence Island (Gambell and Savoonga). Meeting in Bethel featured a “cultural tourism” and “tour packaging” workshop for participants.
- Conducted a 2-day website development workshop in Nome/Bering Strait and Copper Valley region designed to provide tourism business owners with the skills necessary to create and maintain their own website.
- Conducted AlaskaHost Customer Service training seminars in Barrow, Bethel and Glennallen and trained 5 AlaskaHost Trainers to teach classes in Glennallen, Bethel, Prince of Wales, and Sitka.
- Conducted a “Write Your Own Business Plan” workshop (with the Alaska Small Business Development Center) – 40 participants attended from around the Y-K Delta; at least 5 have completed a business plan. Coached two individuals whose business plans were selected to compete for the AFN Alaska Marketplace grants in 2006.
- Presented a workshop on “Starting and Operating a Bed & Breakfast” in Barrow and Bethel.
- Provided scholarships for several DART representatives to attend Alaska Travel Industry Association annual conference. It was the first time that Bethel & the Y-K Delta were represented at this important industry event.
- Alaska Department of Fish & Game designed and produced community wildlife viewing guides for Ketchikan, Sitka, Wrangell, Petersburg, Haines, Skagway, Juneau, Gustavus, and Prince of Wales Island, as part of the Alaska Coastal Wildlife Viewing Trail ([www.wildlifeviewing.alaska.gov](http://www.wildlifeviewing.alaska.gov)).
- June 2006 Birding Assessment Tour was commenced to develop new birding opportunities in the Y-K Delta. The tour invited renowned birding experts and utilized local guides (both paid and volunteer). Communities included – St. Marys, Quinhagak, Scammon Bay, and Chevak.
- Completed regional branding, marketing and tourism plans for the following areas: Copper Valley, Central Southeast (Wrangell, Petersburg, Coffman Cove) and Bristol Bay.

- Provided a start-up “Visit Bristol Bay” website showcasing a few locally-run businesses. This website is in its infancy but will only grow to accommodate more businesses, interested organizations and local agencies.

As Commerce begins wrapping up these initial DART projects, two consistent themes have emerged as key opportunities to improve prospects for rural Alaska tourism:

**I. Tourism Business Mentoring:** Entrepreneurs can benefit from working under the guidance of tourism and hospitality professionals already in the business, many of whom are willing to share their experience. Mentors should include Bed & Breakfast owners and operators, tour operators, fishing guides, artisans, restaurant/food service professionals, retail store owners, and transportation providers. Commerce will work with ARDORs and other partners to help provide support activities and mentoring to the entrepreneurial community to foster business growth and employment opportunities in the visitor industry.

**II. “Information Infrastructure”:** Several DART regions identified the need for better information about tourism attractions, services and businesses, as well as better stories about cultural and natural history. This category of improvement was labeled “information infrastructure” because it offers many of the benefits of traditional tourism infrastructure, e.g., trails and museums, but can be developed more quickly, and at a lower cost.

Two kinds of information are needed: marketing information to help attract people to the area, and information to improve the quality of the experience once they arrive.

Results from the 2006 research study “A Profile of Visitors to Rural Alaska” revealed that 75% of Rural Alaska visitors used the Internet to plan their vacation and 50% of those researched and booked portions of their trip on-line. Many businesses in rural Alaska with no website or Internet presence will find themselves at a major disadvantage in a competitive marketplace. Under the DART project, virtually all of the regions we are working with have identified improved marketing, in particular, better websites, as a key practical, cost-efficient action to attract more visitors.

The same report cited the need for improved visitor information as a concrete step to improve the visitor experience. Examples of proposed information improvements include roadside signs & kiosks, pullouts, viewing towers, boardwalks, website “virtual museums,” systems of roadside monuments keyed to CD’s or DVD’s, brochures, maps and a wide array of other interpretative materials. Information needs to be offered at regional airports, ferry terminals, in visitor centers, as well as along roads and trails and on the internet. In the Copper River area, for example, this kind of information infrastructure could create reasons for the 75% of visitors who are “just driving through” to slow down and spend time and money in the region. This could be done with a relatively modest investment, by capitalizing on the stories, businesses, and features that already are present in the area, but currently are missed by those passing through.

A well designed visitor information infrastructure program holds great potential to build brand awareness and encourage visitors to stay longer and spend more money within rural and Bush Alaska.



# PROJECT OVERVIEW

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## Introduction

This document is a plan for developing tourism in the Central Southeast area, including the communities of Wrangell, Petersburg and Coffman Cove. The map on the following page shows the general area addressed by the project, as well as the nearby community of Ketchikan. Central Southeast is generally defined as the area bound by the Canadian border on the east, Frederick Sound on the north, Kuiu Island on the west, and the Cleveland Peninsula and Prince of Wales Island on the south.

This plan was prepared by Agnew::Beck Consulting, working with representatives of these communities as well as other organizations, agencies and businesses focused on this area. An initial draft was circulated for review prior to a May, 2006 workshop; this is the revised final plan.

This project is sponsored in part through funds provided by the U.S. Economic Development Administration and Alaska Department of Commerce, Community and Economic Development's "Developing Alaska's Rural Tourism" (DART) program.

The goal of the project is to help local residents and businesses find ways to expand tourism in the region, while guiding growth to limit possible adverse affects of tourism growth.

## Project Background & Purpose

In October of 2004 representatives from Coffman Cove, Wrangell and Petersburg jointly sought technical assistance from the Alaska Department of Commerce, Community and Economic Development (Commerce) through their new Developing Alaska Rural Tourism (DART) program. After a series of teleconferences and two face to face meetings, the group agreed to the following mission statement:

“to create a sub-regional development strategy that will define the links between communities, enhance recreational opportunities, support existing visitor industry jobs and create new business and job opportunities.”

This catalyst for this effort was the imminent establishment of a new sub-regional ferry service, by the Inter-island Ferry Authority (IFA). The communities saw in the coming of the ferry a chance to bring new visitors to the area, and help strengthen and diversify their local economies.

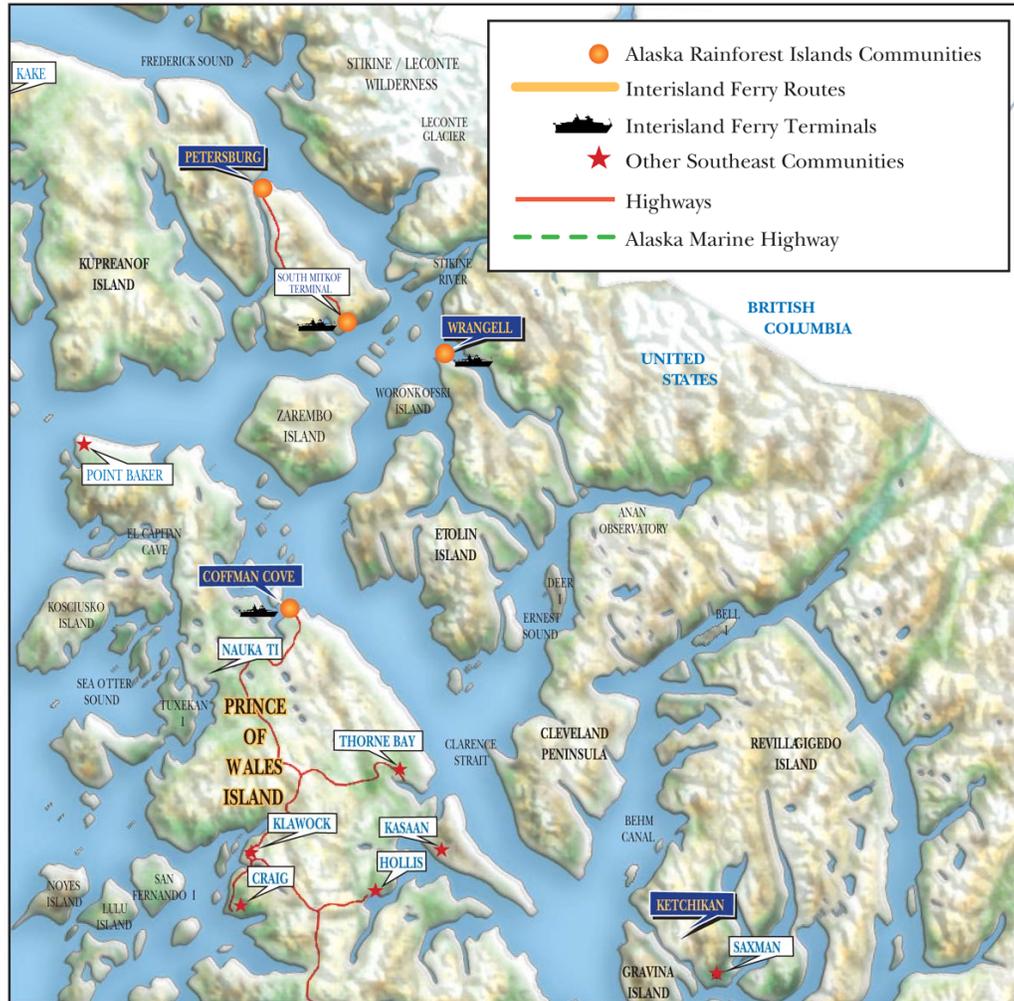
The group, which came to be called the Central Southeast Regional Partnership (CSERP), continued to work together focused on the questions below:

1. What are existing and most promising visitor markets?
2. What are the strengths and gaps in the attractions in the region?
3. What marketing strategies would be most successful?
4. What should be done to improve local attractions?
5. What partners could be enlisted to work together?
6. How best to create an organization and funding ongoing projects?

A series of work sessions, facilitated by Agnew::Beck were held to develop answers to these questions. These included a Workshop in May and November of 2005. The recommendations of this report build on the results of these two workshops. One of the products of these workshops was a set of conclusions about marketing taglines, and a related tourism brochure (see Appendix G).

Major milestones for this specific contract are listed below:

- Prepare draft Regional Branding and Marketing Plan, based on earlier workshops and research – March 06
- Set up and publicize May 22-23, 2006 Workshop.
- Conduct May Workshop. The primary goal of that workshop was developing a marketing business plan for a cooperative marketing process, including a sustainable organization, and a sustainable funding sources.



## PROJECT CONTEXT

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This section provides a summary of the context for developing tourism in the Central Southeast area. Information in this section comes from a combination of research by the consultant, visitor survey data compiled by the McDowell Group as part of the DART project, and information developed during the 2005 workshops. More complete notes of the results of the 2005 workshops are available from the 3 partner communities.



### I. ATTRACTIONS ANALYSIS

#### Summary

##### *Strengths*

- Best of Alaska in compact area: glaciers, whales, bears, wilderness, mountains, history, native culture, fishing, golf!
- Scenic, pristine environment – rainforest islands
- Specific recreation opportunities: fishing, bear viewing
- Roads & ferry system – relatively low cost means to enjoy area
- Interesting small towns, intact cultural traditions
- Quality services – comfortable hotels & lodges, good food, skilled guides, tours

##### *Challenges*

- Lack of name recognition – no “first tier” attractions (e.g., Glacier Bay, Denali National Parks – places with existing national & international reputations)
- Competition – many other attractive coastal towns in AK, with good scenery, fishing, etc.
- “Geographically challenged” – travelers don’t know where Central SE is, boundaries are amorphous
- Not yet easy to get around for independent travelers; road and ferry system are not yet fully realized, a potential rather than actual amenity

#### Review of the region’s greatest strengths as a destination – from May 2005 Workshop

- Unique – Not overrun by tourists, industrial tourism
- Real communities – friendly, real Alaska, unspoiled
- “Not like Juneau” (i.e., not overrun not altered by tourism, off the beaten path by choice, downtowns still good places to buy hardware but not emeralds)
- “In the heart of the Inside Passage, but not in the center of the crowds”
- Alaskan owned businesses, tour guides raised in Alaska – “not just somebody from outside with a summer job”
- Ability to tell good stories about what people see
- How are we different from other small communities that are also pristine?
  - With the IFA there will be better access

- Combination of pristine and accessibility
- Handful of top level attractions – tidewater glaciers, whale watching, Anan Sanctuary bears.
- An opportunity to do many things in a concentrated area – Stikine River, bears, small towns, etc.
- Today – relatively limited numbers of tourists
  - Survey - 78% in Petersburg don't want big cruise ships
  - Need to control amount of tourism (e.g. cruise docks)
- Everything is in one place
  - Compact, concentrated
  - Don't have to spend all your time driving - “see it all, without spending all your time and money traveling place to place”
- Range of activities available in region
  - Stikine River
  - Wildlife
    - Anan wildlife observatory
    - LeConte Glacier seals
    - Large amount of birds
    - Whale and seal watching in Fredrick Sound
  - Tidewater glaciers
  - Working Communities - Fishing industry, Timber
  - Protected waters (kayaking)
  - Mountains – climbing, landmarks: Devils Thumb, Castle
  - Rainforest - America's rainforest
  - Sport fishing - “Not like the Kenai” - “just you and the fish”
  - Caves/Geology
    - Prince of Whales (but accessibility issues)
    - Petroglyphs
    - Garnet
    - Rockhounding/fossils
  - Extensive road system – access to lakes, rivers; to scenic views and trails (USFS logging roads, now available for public use)
  - Native culture
    - Wrangell – new museum; Petroglyph Beach; Chief Shakes Island
    - POW - Native communities (e.g., Klawock)
    - Norwegian culture in Petersburg
    - Petersburg - tour at cannery
    - Archeological dig summer 06 in Coffman Cove
  - Seafood – world famous, wild Alaskan, lots of it, variety: crab, salmon, cod, shrimp, halibut, oysters, etc...(also synergies between seafood and tourism marketing)
  - Safe harbors, port infrastructure
  - Services, facilities
    - Security
    - Reliability
    - Friendly
    - Unlike Valdez - it's a real town, has all the products locals need

- Groceries, services
- Infrastructure in Wrangell and Petersburg but not yet in Prince of Wales
- Climate – “Not a freezing icebox”
- Quiet

**Review of the region’s weaknesses as a destination**

- No name recognition
- Rain
- Seasonal wildlife
- Seasonality in general
- Tourism Services – summary evaluation below; see appendix for a more detailed version of this inventory

**Existing Tourism Services**

	Petersburg	Wrangell	Prince of Wales
Accommodations	good	good/ltd	limited
Lodges	good	limited	good
Tours	good	good	limited
Town - architecture	good	good	limited
Town - “explorability”	good	good	limited
Cultural Attractions	sites but not necessarily guides or interpretive info to tell stories; Wrangell has some good facilities		

**2. MARKET ANALYSIS**

**Overview – Who Visits the Area Today?**

- Package tours
  - Wrangell – in 2005, 2200 per weekly cruise boat stop, but not in 2006
  - Petersburg – 100-115 passenger cruise ships – several a week
  - Prince of Wales – no package trips
- Independent travelers
  - Primary: anglers, hunters
  - Less common: independent yachts, wildlife viewers, birders, adventures (kayak, wildlife, hike), visitors to specific destinations (e.g., Stikine), RV fish, hunt, sightsee
- Other & miscellany
  - Alaskans
  - Veterans (Local VFW Halls attract visiting vets)
  - Visiting Friends and Relatives - important

**Introduction to the Survey of Independent Visitors**

The information presented below reflects the characteristics of the independent visitors to Central Southeast. Estimates from the survey show approximately 24,000 independent visitors to the region. Package cruise visitors to Wrangell and Petersburg produce about double the number of visitors estimated at 57,000 in 2005. This review does not therefore

reflect the majority of visitors to those communities. It does provide interesting information on the independent visitors. General marketing theory indicates that identification of existing customers will provide clues on what would be attractive to other independent visitors.

This information is a summary of survey information prepared by the McDowell Group, as part of the Alaska Visitor Statistics Program. *(insert precise citation)*.

**Repeat Visitors:**

The region enjoys an amazing repeat customer base. Over 66% of visitors to the region have been to Alaska before. Most of them have traveled to Central Southeast to fish. The region appeal as a fishing destination provides the basis for much of the existing overnight visitors to the region.

**Fishing is number one:**

73% of independent visitors to Central Southeast go fishing and fishing is the number one reason visitors selected the region for their vacation. This is not surprising as Southeast Alaska has some of the best fishing lodges and fishing opportunities in the state. The season is longer starting with Kings in May and ending with Silvers and Steelhead in the fall. The longer season provides better economics for lodges and usually results in better accommodations for guest.

**Trip Purpose:**

94 % of visitors are traveling for pleasure. 76% are vacation pleasure visitors and 18% are visiting friends and relatives.

**Overnights Stays:**

By definition almost all Central Southeast independent visitors stay in the region at least one night. 97% stay overnight in the region with a few passing through on the ferry.

Below are the percent of visitors who spent an overnight in the communities of the region.

Price of Wales Island	48%
Petersburg	29%
Wrangell	11%
Kake	Not reported

While this data does not provide details on the visitors stays it does provide some magnitude of visitor volume in a rough form.

**Length of Stay:**

Independent visitors to Central Southeast stayed an average of 6.6 days in the region and 12.4 days visiting other areas of the state. The overnight stay data suggest that many are extending their visits in Ketchikan and Juneau with 38% spending at least one night in Ketchikan and 23% staying at least one night in Juneau.

**Expenditures:**

Central Southeast visitors spent an average of \$1,699 per person while in Alaska and \$1,237 in the Central Southeast region. This means that visitors to the region spend three quarters of their money and only half their time in the region. While the primary research does not quantify spending patterns it is reasonable to believe base on the data that the higher

expenditures in the region reflects the higher cost of sport fishing and it appears that additional days traveling out of the region may have been less expensive general sightseeing.

**Visitor Satisfaction:**

Visitor Satisfaction ratings show that Central Southeast visitors were significantly less satisfied with Alaska than the average rural Alaskan visitor. 56% of those who visited Central Southeast were very satisfied with their Alaskan experience vs. 83% who of Alaska’s rural visitors. This is curious especially when we examine the number of repeat visitors to the region for fishing. They must have been reasonably satisfied to come back. Therefore it is important to explore the independent visitors who did not have fishing as their primary motive. They may be significantly less satisfied than the average rural visitor.

Below, for purpose of comparison, is the set of responses to the question about “what did visitors enjoy” for the four regions studied. For example it is interesting to note that 73% of visitors to Central Southeast fished compared to 79% of Western Alaska Visitors who fished in that region. The raw data below suggested that Western Alaska visitors select fishing more often than Southeast visitor as the number one activity they enjoy. It is not clear why but it is interesting. Similarly other activities areas provide some clues about region’s strengths and weaknesses.

**What did you enjoy most about visiting this region?**

<i>Activity</i>	<i>Central SE</i>	<i>Copper Basin</i>	<i>Bering Straits</i>	<i>Western Alaska</i>
1. Fishing	46%	8%	10%	57%
2. Scenic beauty	43	66	43	38
3. Wildlife	21	21	29	25
4. Visiting F's & R's -VFR	20	2	24	15
5. People	12	3	29	5
6. Bear viewing	5			26
7. Hiking	4			
8. Native culture/art	4		10	5
9. Remote/small	3	14	36	25
10. Stikine River	2			
11. Hunting	1		7	2
12. Other	6		12	10
13. Camping/RV		4		
14. Wrangell St. Elias		15		
15. Bird Watching			17	8
16. Gold Rush history			14	
17. Midnight sun			7	

### **Trip Planning & Booking**

Central Southeast visitors make their trip decision an average of 7.1 months before their trip. One third made the decision within three months of their trip. Most people - 54% - booked the trip three months or less before travel and 80% booked 6 months or less before travel.

### **Internet Use**

71% of visitors use the Internet to gather information and research their trip. Recent studies for Alaska tourism suggest that about 75% of visitors to Alaska use the Internet. This means that virtually everyone who has the Internet is using it to research travel. As the trend for internet use grows the importance of a great Internet site will increase in important as one of the most critical tools to communicate with visitors.

### **Use of Other Sources of Travel Information:**

Visitors to Central Southeast rely on friends and family a great deal to plan their trips to Alaska. 45% sited friends and family as one of the biggest sources of information after the Internet. Prior experience was cited as the top source of information by over 40% of the visitors to the region suggesting that they had been to the region before not just Alaska. An amazing 66% of the regions visitors have been to Alaska before.

### **Return Visitors:**

65% of the visitors to the region said it was very likely that they would return to Alaska. 21% said they are likely and only 7 % unlikely and 1% very unlikely. This is interesting in light of the satisfaction ratings.

### **Visitor Origin:**

Western US	60% - clearly the biggest market for independent visitors to the region
South US	12%
Midwest US	11%
East US	10%
International	7%

### **Demographics of Independent Visitors to Central Southeast: Gender, Age, Education and Household Income**

<u>Central Southeast</u>	<u>Rural Alaska</u>
Gender: 67% male; 33% female	59% male; 41 % female
Average Age: 51.2 years	50.1 years
Average Salary \$101,500	\$91,200
Education: 59% college degree	53% college degree

Central Southeast visitors are more male, have slightly more education and have a higher average salary. Not surprisingly the demographic mirror that of the upscale fishers who visit Alaska. From the standpoint of target markets they are not significantly different based on these demographic variables. Their psychographics as 73% fishermen is what establishes them as a target market, which provides significant information about the regions current and prospective visitors.

### 3. COMMUNITY VIEWS

Experiences in places like Juneau, Sitka, and Talkeetna show tourism can have both positive and negative impacts on community life. Examples of adverse impacts include crowding at recreation sites, congestion on roads, changes in character of commercial districts and strains on publicly-provided services. As a result, plans for expanding or changing tourism need to build from community interests.



This issue was discussed at the workshops held over the last year. Primary comments included:

- Interest in maintaining communities
- Want measured tourism – manage growth of tourism to minimize conflicts
- Encourage year-round businesses, locally owned businesses
- Want diversified economy – do not put all the eggs in one basket
- Selling point of IFA
  - Communities have invested in program with an expectation of economic benefits
  - Communities understand that they can't get these economic benefits without growth, including tourists

The working conclusion for this project was that there is general acceptance of the goal of modest levels of tourism growth, while recognizing that perspectives about tourism are quite varied:

- Wrangell: the community is open to large scale package tourism, including large cruise boats, but not every day: the community voted to support 2 cruise ship visits per week
- Petersburg: the community favors small scale tourism. Residents and businesses hope to expand visits by small cruise boats and yachts, and to extend the visitor season, rather than encouraging large cruise ships.
- Prince of Wales Island – mixed views, some people want to see significant growth in tourism, others are more hesitant. There is general desire to not expand visits by hunters; hunting use is judged to be at capacity, and guided hunting already sells itself.
- Overall conclusion:
  - Aim for a magnitude, type of tourism that doesn't alter community character, community life
  - Maintain dominance of locally-owned businesses
  - Attract tourists that mesh with local values

## 4. CURRENT MARKETING EFFORTS

### *Prince of Wales*

- Promo tagline - “The actual Alaska”
- Marketing themes/attractions: US’s 3rd biggest island; has a fairly extensive road system/logging industry history and presence; caves, cave tours, karst landscape; active archeological dig in Coffman Cove, petroglyph sites, Tlingit and Haida culture. Several people characterized the island as “great for working class” visitors, hunting, fishing, multiple small communities
- Marketing programs/Marketing revenues
  - No bed tax; Coffman Cove city charter says won’t be any taxes
  - Sales tax in Craig, Klawock and Thorne Bay; property tax in Craig
  - Chamber – member dues

### *Wrangell*

- Tagline – Gateway to the Stikine River; “Three flags/Four Nations”
- Marketing themes/attractions: American Legion – 3 flags pin, Anan wildlife observatory, bears. Stikine river, fishing, Tlingit culture and ancient history (petroglyphs), small, friendly, coastal town, working community; logging community
- Marketing programs/Marketing revenues
  - Marketing efforts managed by Convention & Visitors Bureau, appointed by City
  - \$4/night visitor fee produces \$20,000 plus additional \$20,000 from city for tourism marketing
  - 7% sales tax (none specifically directed to tourism)

### *Petersburg*

- Tagline - “Alaska’s little Norway”
- Marketing themes/attractions: Wrangell Narrows – well known to ferry riders (a place to see shoreline up close), small, quaint, attractive coastal town, fishing LeConte Glacier, “Petersburg shrimp,” whale watching, rain
- Marketing programs/Marketing revenues
  - Marketing efforts mostly managed by Chamber
  - 4 % bed tax produces \$25,000 (\$10,000 used for marketing)
  - 6% sales tax also (none to tourism)
  - Proposed \$160,000 3 year marketing program (not just tourism); voted on, did not pass

### *Potential Marketing Partners*

- USFS
- Alaska Airlines
- Southeast Conference
- Southeast Alaska Tourism Council
- ATIA
- Regional hubs – Juneau, Ketchikan
- SEATrails
- Other small, coastal communities (Cordova, Kodiak)

# SUMMARY OF TOURISM MARKETING GOALS AND STRATEGIES

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## 1. Overall Goals

- Increase the local benefits of tourism to the Central Southeast region, by attracting more visitors, increasing the length of visitor stays, and increasing spending per visitor
- Focus on forms of tourism that tend to benefit locally-owned businesses, that encourage year round economic activities
- Maintain the character of the area – its communities, natural areas, and recreation resources
- Encourage tourism as one part of a diversified regional economy
- Keep residents and businesses informed and involved in tourism decisions

## 2. Strategies

Target Markets - Focus on markets that have greatest local benefits, and are most likely to continue to continue or begin visiting the area:

- *Established Markets:* sportfishing, wildlife viewing (Anan bears, whales), Stikine River related visitors, RV – fish, hunt, sightsee
- *Promising Future Markets – Strongest Opportunities:*
  - Yachts and cruisers
  - Small package groups – cultural and natural history education, adventure
  - Independent adventure travelers – biking, kayaking, hiking
  - RVers, families – travelers wanting to see Alaska at a lower cost, take advantage of road system
  - Small meetings, groups (have convention facilities, reasonable weather)
  - Special interest: birds, caves, archeology

### Improve Attractions and Infrastructure

- Improve information & way finding – provide a system of directional and information signs, with a consistent “look;” this is an inexpensive way to add value to the visitor experience, and give the area a more distinctive identity
- Improve circulation - road system is a weak link, for IFA, for exploring region; roads exist, but need to be upgraded
- Improve road and trailside public camping, day use facilities
- Improve non-road links between towns and attractions – e.g. to Stikine, to Anan
- Provide more things to do in and near to towns – provide 2-3 solid answers to the question, “what’s there to do around here?”



### Cooperative Marketing

- Pool marketing resources – businesses and communities work together
- Create a distinct identity for the area (“Alaska’s Rainforest Islands – Heart of the Inside Passage”), build from cruise industry & ATIA marketing
- Work to make the area a destination; convince people they can spend their whole trip in area and see “the best of Alaska in one region”
- Emphasize the convenience and cost savings associated with visiting the area using the new IFA ferry; target market to prospective ferry visitors

### **3. Biggest Challenges**

#### **Sufficient support for Ferry Service?**

The new ferry service provides a great opportunity to attract new visitors and benefit local residents. But, local residents and existing tourism do not generate enough demand to keep the ferry in business. Is there the level of local commitment needed to attract new users?

#### **Is this a region?**

Do visitors see the area we have designated as a region? The answer today is that very few visitors and residents see the Central Southeast area as a discrete destination. Are the communities and businesses of the area committed to the active, sustained effort that will be required to convince them Central Southeast is a destination?

#### **Competitors or Cooperative Marketing Partners?**

If CSERP communities raise money for marketing, will they agree on common marketing goals and a message that they can unite behind? Cooperative marketing efforts often fall apart if the participants do not have a common target, and they don’t succeed if they aren’t sustained for at least 5-10 years. Will the effort be sustained, or fizzle out as it has too often in other areas?

# IMPROVING ATTRACTIONS

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To be successful, the Central Southeast area needs to build on and enhance its strong base of intrinsic attractions. General conclusions are presented below; later in this report a task list sets out specific tasks and responsibilities.

## 1. Improve “Way Finding”

Actions are needed to help visitors navigate the region’s roads and trails, and more readily find destinations such as campgrounds, trails heads, and IFA ferry terminals. This is a particular issue now that visitors are expected to move through the area, in both a north and southbound direction as part of the new ferry service. Investing in improved maps, roadside signage, and similar information will help give visitors a better experience, reduce the potential for people getting lost and frustrated. Likewise, improved wayfinding materials can help guide people to local services and businesses.

Elements of the wayfinding project include both physical improvements along travel routes, and information such as maps. Specific possible elements include:

- Highest priority: road side signs to inform travelers of location of ferry terminals, and routes between terminals. It would be very helpful if USFS numbered road signs were augmented with more readily remembered names for roads.
- Other road side signs – to inform travelers of attractions, services – e.g., trailhead, caves; also basic directional signage distances, directions
- Brochures & maps (see more below)
- Interactive kiosks on ferry
- USFS DVD for AMHS Ferry
- Web information – a “virtual tour”
- SEATrails – maps, website, promotion, information
- Option for interactive system, use technology to inform e.g., low wattage radio

As noted above, the highest priority is for signage to help people using the new ferry. Over the longer term, work is needed to develop and implement a more comprehensive wayfinding plan. Ideally a system of signs could be established, with an attractive, uniform, consistent style – e.g., consistent logos, graphics, fonts, colors, etc.

Partners and Resources for Wayfinding Improvements:

- US Forest Service - seeking funding for a Prince of Wales wayfinding project (contact:
- SEATrails Regional map & brochure – Southeast Alaska Trails project is seeking funds to develop a series of “mini maps” that will provide details about camping areas, trails, ferry service and activities in each of 5 sub-regions of SE. SEATrails staff has expressed an interest in having the first such map be prepared for the Central Southeast area. Same or similar map can be used in multiple ways – e.g., for website, for wayfinding, wildlife viewing

- American Byways Grant – requires 80-20% local contribution; requires request from non-profit entity on behalf of region; “recognition not regulation”) – funding can be used for a range of roadside improvements.
- ADF&G Wildlife trails Program – ADF&G is nearing the conclusion of a project to identify and map specific routes and locations with best potential for viewing wildlife. This project includes the Central Southeast area as well as other parts of Alaska. Products will including a combination of collateral information, on-site improvements

## 2. Improve Local Transportation System - “Make it easier to get around”

One of the strengths of the Central Southeast area is its concentration of attractions in a relatively confined area of Alaska. While this is true, in reality there are some significant limitations in the local circulation system, e.g., in the land links between ferry terminals, and the means to reach the Stikine and the Anan Wildlife Observatory. This section summarizes highest priority improvements to the local transportation system.

- IFA-Related - road system is a weak link for IFA, for exploring the region; roads exist, but need to be upgraded
  - South Mitkof Island connection: road, transportation, e.g. shuttle
  - Road link across POW to Coffman Cove
  - Better signs and other information on ferries: times, routes, links to land transportation
  - Extend IFA season
  - Kayak racks on IFA, wheeled kayak carts available
- Upgrade linkages generally – roads, trails, links to ferry system
- New routes for multi-day hikes, bike rides, kayaking
- Improved private sector linkages – e.g., access to rental cars, more visitors to the area, which may lead to reduced costs to visit out-of-town destinations.

## 3. Infrastructure for “Comfort Along the Road;” Improved road and trailside public camping, day use facilities

- Provide new roadside public use cabins, campgrounds and 3 sided shelters; work to keep existing huts and shelters open. Such facilities help counteract traveler fears, e.g. concerns about bears, and also offer shelter from rain, cold, wildlife. Identify and develop new cabins, shelters, etc. with the conscious goal of making it easier to offer comfortable multi-day trips, e.g., by bike or kayak. (Ketchikan offers examples of successes). Communities will need to work in partnership with the USFS to reach this goal.



**4. Provide more things to do in and near to towns – provide 2-3 solid answers to the question, “what’s there to do around here”**

- Prepare a number of attractive itineraries – determine what infrastructure exists or is lacking to make these real. Provide a package of interesting things along the way – views, picnic areas, campgrounds, unique attractions, food, etc.
- Work with representative of Native communities to develop better information, programs and facilities to help explain Native history and current life.
- Develop Trail systems for diverse users:
  - Mountain biking: the International Mountain Biking Association (IMBA) wants single track. The area has lots of logging roads available, but little single track, and few loop routes. Some conflict between use of roads for timber vs. recreation.
  - More in town trails, like the walk in Wrangell
  - More cultural tours, (totem parks, sites, etc.)

# COOPERATIVE MARKETING PROGRAM

To be successful, CSERP must establish a cooperative marketing program, and sustain this effort over the long term. Over the course of several workshops, components of this marketing initiative were extensively discussed, reviewed and revised, to finalize a work program and sustainable funding plan. This plan is described below and on the following pages.

## 1. Establish a sustainable regional marketing organization

- Near term – continue with ad hoc organization.
  - Finalize agreements re specific purposes of organizations – goals, outcomes
  - Set up structure – two representatives each from Wrangell, Petersburg, POW Island, plus IFA.
  - Finalize cooperative MOU if this has not been done
- Mid to longer term – establish separate entity, 501c3 status, website, staff, etc.
  - Set up membership format, so businesses can purchase memberships in exchange for specific services, at several different levels
  - Note that cities are already offering some of these services
  - Work with agency partners to see if they will be willing to help fund or staff marketing organization

## 2. Agree on a set of priority, one time marketing activities.

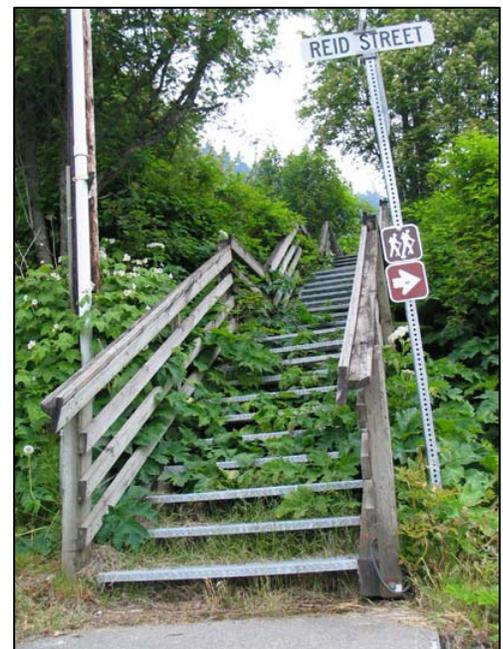
Priorities are listed below. The implementation table on the following pages gives details.

- Prepare “Alaska’s Rainforest Islands” identity package, media package
- Improve existing, fledgling website
- Prepare travel guide
- Work with partners to develop a regional map
- Work with partners on wayfinding & signage package
- Prepare a DVD

## 3. Agree on a set of priority, annual marketing activities.

Priorities are listed below; the budget that follows gives more details and estimates costs.

- Website maintenance
- Central information contact
- Member services
- Brochure Distribution
- Public & media relations
- Familiarization Tours to Region
- Tourism Organizations
- Events – e.g., Tri city Triathlon
- Trade Shows
- Print Advertising
- Booking Service



- General Office
- Community Education, Advocacy, Involvement
- Marketing tools for raising revenues

#### 4. Secure funding and staffing resources for ongoing marketing program

All the good ideas presented in this report won't happen without Central Southeast communities adopting a new view of how to use marketing resources, and reallocating a portion of community marketing funds to support a new, cooperative approach to marketing.

The people who have developed the CSERP effort to date have done a great job thus far, but it is not realistic to imagine the marketing program can be squeezed onto their already full plates. Likewise, grants or VISTA workers might help for a year or two, but neither provides for a stable program over the long term. So, if the central southeast region wants to attract new visitors, create new opportunities for local businesses, and to keep the IFA ferry in operation, community marketing funds need to be spent in new ways.

Every successful regional cooperative marketing entity in Alaska is funded by local government bed tax or other local tax revenues. Other important, but secondary funding mechanisms for regional marketing programs are membership fees, fees for advertising, and fundraisers. The table in Appendix E gives an overview of the budgets and revenue sources of different destination marketing organizations around Alaska.

The chart on the following pages shows the estimated costs and revenues associated with a sustainable annual Central Southeast regional cooperative marketing program. A number of options were considered before settling on the particular funding structure presented in this figure. The theme of this effort, as captured by Len Laurance, is "you need to crawl before you can walk." While other regional marketing entities around Alaska have annual budgets in the hundreds of thousands of dollars, it was concluded that a more realistic goal for the Central Southeast region is approximately \$50,000. This budget, while modest, is enough to sustain a regional marketing program that can make a real difference in the economic benefits of tourism in the region.

#### Central Southeast Cooperative Marketing – Proposed Revenue Sources

Fees for Services to Businesses	\$7,000
Community Membership	
Wrangell	\$20,000
Petersburg	\$20,000
Coffman Cove (staff in lieu)	\$7,500
Other Prince of Wales communities	
Fundraisers	\$1,500
<hr/> Total Annual Revenue	<hr/> \$56,000

A summary of the marketing program revenue structure is presented above. The communities of Wrangell and Petersburg are identified as the biggest contributors, playing the role equivalent to what is done by the Municipality of Anchorage, or the Kenai or Mat-

Su Boroughs. The presumption is that communities with taxing authority, and that currently generate revenues from tourism-related activities, will plow some of these revenues back into the regional marketing effort. Smaller communities such as Coffman Cove will make a contribution of cash or dedicated staff. The next largest revenue source is fees that will be generated from local businesses, in exchange for marketing. The budget table shows 3 different fee levels, corresponding with different levels of marketing assistance.

The case for cooperative marketing is compelling:

- *More bang for the buck* – businesses and communities that work together can stretch their marketing dollars. For example, money could be saved by Petersburg, Wrangell and POW communities by splitting the cost of traveling to the Travel Industry Association’s annual International Pow Wow Trade show. The same logic applies in developing high quality websites, brochures and other marketing materials.
- *Louder voice* – few businesses can afford advertising at a scale that gets their product in front of a wide audience. As a result, to be successful, competing tourism businesses routinely pool resources to get out a message they can’t afford to convey on their own. For example, a group of businesses or communities could share the cost of placing a good sized advertisement in the Alaska Airlines magazine, which none of them could afford individually. Cooperation among competing businesses takes a new mindset, but this approach produces great results.
- *Selling a package of attractions* – in the intensively competitive tourism marketplace, no single central southeast tourism attraction is likely to have the magnetism needed to draw visitors. In contrast, the package of regional attractions – glaciers, whales, fishing, the Stikine, garnet, bears, inviting towns, etc. - is strong and appealing. A cooperative marketing approach is the best way to tell this story.
- *Empirical evidence* – Central Southeast is competing against bigger, better organized and better funded businesses and destinations. The most successful places and the sectors – around Alaska, around the world – have found ways to pool their resources to increase their marketing clout. Central southeast is currently losing market share to these other destinations.

The following 3 pages present a more complete description of the marketing program, and associated expenditures and revenues.

MARKETING ACTIVITY <i>EXPENDITURES</i>	PART TIME STAFF				CONSULTANT HOURS			OTHER CASH (annual)	TOTAL
	<i>per month</i>	<i>per year</i>	<i>Rate</i>	<i>Annual Cost</i>	<i>per month</i>	<i>per year</i>	<i>Rate Total</i>		
Part Time CSERP Staffperson			\$25						
<b>Website</b> Optimization, maintenance, modifications Website hosting fees, domain name (\$20/mo +\$10)	8	96	\$25	\$2,400	2		\$75 \$1,800	\$250	\$4,450
<b>Central info contact</b> Prompt response to web & phone inquiries Phone costs, 800 number (avg \$200/month)	24	288	\$25	\$7,200				\$2,400	\$9,600
<b>Member services</b> - solicitation, post ads on web, p's	24	288	\$25	\$7,200					\$7,200
<b>Brochure Distribution</b> Distribute - mail, place in Juneau, Ketchikan Reprint (annual set aside-reprint every other yr)	2	24	\$25	\$600				\$1,000	\$1,600
<b>Public &amp; media relations</b> Prepare, update press package, press release Postage to distribute brochure, DVD, etc. ATIA media road show (annual, in lower 48)	2	24	\$25	\$600				\$100 \$500	\$1,200
<b>Familiarization Tours to Region</b> Make arrangements for & carry out (2/year)	8	96	\$25	\$2,400					\$2,400
<b>Tourism Organizations</b> ATIA Membership (estimate) - website ATIA annual conference - registration, travel costs Hours to participate ATIA annual conference								\$1,000 \$1,500	\$3,400

<b>Events - Tri city Triathlon</b> Proposed: bike, run, kayak? Link to ferry system link to ferry system,	2	24	\$25	\$600					\$600
<b>Marketing Cooperatives</b> Help organize, provide necessary info. Partnership fee									\$0
<b>Trade Shows</b> Registration (1/year) Time Travel Costs	5	60	\$25	\$1,500			\$500	\$1,500	\$3,500
<b>Print Advertising</b> Limited - in affinity group magazines, newsletters	3	36	\$25	\$900			\$5,000		\$5,900
<b>Booking Service</b> Set up on-line (service to members) Coordinate with private sector partners	3	36	\$25	\$900	4	\$75	\$3,600		\$4,500
<b>General Office</b> Computer, Utilities, Furnishings, supplies, etc. General Admin	10	120	\$25	\$3,000			\$2,000		\$5,000
<b>Community Education, Advocacy, Involvement</b> Fam tours for local business leaders Advocacy to improve, protect local attractions Grantwriting, grant management for one-time projects	10	120	\$25	\$3,000					\$3,000
<b>TOTAL</b>	<b>104</b>	<b>1248</b>		<b>\$31,200</b>			<b>\$5,400</b>	<b>\$15,750</b>	<b>\$52,350</b>

## ANNUAL MARKETING REVENUES

	Number	Charge	Revenue	Notes
<b>Fees for Business Services</b>				
Basic - weblink, option for DVD	30	\$100	\$3,000	
Basic Plus web advertisement	15	\$200	\$3,000	
Fee to feature collateral material at trade show	20	\$50	\$1,000	
Total Business Membership			\$7,000	
<b>Community Membership</b>				
Wrangell			\$20,000	
Petersburg			\$20,000	
Coffman Cove			\$7,500	300 hours of staff time dedicated in lieu of cash
Total Community Membership			\$47,500	
<b>Partner Membership</b>				
USFS				Support services in lieu of cash contributions
IFA				Support services in lieu of cash contributions
Other				
Total Partner Membership				
<b>Fundraisers</b>				
Annual Dinner/Raffle			\$1,500	
<b>TOTAL REVENUES</b>			<b>\$56,000</b>	
<b>TOTAL EXPENDITURES</b>			<b>\$52,350</b>	
OPERATING SURPLUS (deficit)			\$3,650	

## IMPLEMENTATION PROGRAM

The material above described the “one time” projects and ongoing marketing tasks needed to help the central southeast area re-position itself to create new opportunities in tourism, help sustain the newly established IFA ferry, and to do so in a manner that maintains the character and way of life of local communities.

This final section outlines specific steps needed to move forward with these projects and programs.

<b>Alaska Rainforest Islands Partnership Conference</b>	Len, Marcie, Marie	
• Plan time frame – on last IFA ferry of season - Sept 14-16		
• Plan agenda/speakers – interpretation, marketing,		
• Set conference costs – keep costs minimal: limited to renting space; find sponsors for food; set conference fee to make money (provide discount on IFA fares)		
• Plan conference invitations: ATIA, POW		
<b>Alaska’s Rain Forest Islands – Identity Package</b>		
• Set of PDF files, B&W, color; logo with name, tagline, web addresses + letterhead, envelopes	Karen’s father, backup option - A::B	June 06
<b>Improve Existing Website</b> ( <i>see notes below</i> )		
• Agree on specific changes	Odin with partners	June 15
- upgrade look of home page (more images)		
- agree on other specific changes		
- check out Alaska Air “2%” commission fee	Odin	
• Prepare itineraries (for website, maps, etc.)	Carol, Karen, Eric, Marie	July
- 4 themes for activities (fish, wildlife, history, adventure)		
- Structure website to ultimately make it easy to go from general ideas to specific		
• Set up structure for tracking and sharing inquiries with all three entities	with DCCED through 9.15	
• Get funds for next generation site (mini-grant?)	Eric, Odin, Carol	
• Draft RFP for web contractor for next generation		June/July
- <i>see detailed notes re structure, handling inquiries, funding, etc.</i>		
<b>Marketing Cooperatives</b> ( <i>see notes below</i> )		
For now, do not spend limited funds available on marketing cooperatives		

<b>Travel Guide</b>		
For now, do not aim to produce an AkRFI regional guide, instead rely on IFA & individual communities to produce guides (funded by advertising)		
<b>Map Project</b>	Frankie P & SEATrails	
• Partner with SEATrails to develop folding “field map” – figure out look and feel, boundaries, limited advertising		
<b>Wayfinding &amp; Signage</b> ( <i>see notes under attractions</i> )		
• Identify top 10 directional signs needed – “emergency”	Karen, Elaine, Eric	May 26
• Write letter to DOT/PF re need for signs (with ferry logo, ideally IFA ferry logo), focus on new travel patterns	Eric drafts, circulates	June 06
• Work with Bill Tremblay at USFS re regional approach	Eric	
- Put up activity signs with consistent rainforest islands, SEATrails graphic theme/logo		
- Coordinate installation of kiosks at or near ferry terminals (Wrangell about to change; SEATrails kiosk going up with USFS \$ in CC		
- Develop a system of interpretive signs		
- Add memorable names to USFS numbered road names		
<b>DVD</b> ( <i>see notes below</i> )	Carol	June
• Agree on goals (short – about 5 minutes)		
• Secure funding (tentatively \$2500 from DART; IFA will arrange to cover costs; Eric may have end of year funds for DVD and Web)		
• Piece together footage from existing or coming soon sources		
- Wrangell 06/Alaska Channel – Len contact Bob Kaufman, see if he will cover POW and otherwise shoot generic footage	Len	
- Secure Petersburg footage	Eric	
- Other footage: USFS,		
• Prepare DVD, do post production work; add in AK Rainforest Islands logo, themes, itineraries		

### CSERP Website

- Set up simple initial site, pulling from existing information, and information to be generated from activities listed below - done
- Use the site to solidify the CSERP brand, provide an overview of area attractions and services, and as a portal to websites of area businesses and organizations

- Work towards a more complete, interactive website, including selling advertising services for a fee
- Design site so users can fill out a simple form one time, and click boxes to submit inquiries on multiple topics
- Recognize that there are competing private businesses. First year, list all businesses for free. Monitor use of website, use to sell advertising on the website in the second year
- Themes to emphasize in the website:
  - accessible, lower cost...
  - itineraries, the equivalent of a knowledgeable friend (note: lots of research at statewide level showing that visitors want itineraries. Success of Texas Bird Trails is one good example).

### **Promotional “Video” DVD (with State of AK mini-grant? others to be identified)**

- For consumers, for trade
- Update previous efforts
- One video for entire CSERP area
- Plan so CSERP can offer businesses an economical chance to make custom DVD, with a combination of footage from the region as a whole, plus a shorter component providing specific information about their business
- Apply for a min-grant (by July 21)  
<http://www.commerce.state.ak.us/dca/grt/minigrant.htm>
- Apply for Scenic Byways (by July 17)  
<http://www.dot.state.ak.us/stwdplng/scenic/pop/07-sbaward-solicitation.shtml>

### **Marketing Cooperatives**

Marketing Cooperatives are partnerships where small groups of businesses and/or organizations share costs to market related products. AMHS examples: “Latitude Alaska” – 12 Alaska businesses focused on domestic travelers; “Alaska Holiday” also 12 Alaska businesses; working with these cooperatives AMHS services are offered in 8 travel shows in lower 48 annually. Prospective partners in CSERP area include Commercial seafood, USFS, SEATrails.