

***Jilkaat Kwaan Cultural Heritage Center  
Tourism Management Plan  
and Marketing Recommendations***

*Prepared for:*

**State of Alaska  
Department of Commerce,  
Community & Economic Development**

AND

**Chilkat Indian Village**



Research-Based Consulting

Juneau  
Anchorage

*This report was prepared with funding from the  
U.S. Department of Commerce, Economic  
Development Administration*



***July 2009***

***Jilkaat Kwaan Cultural Heritage Center  
Tourism Management Plan  
and Marketing Recommendations***

*Prepared for:*

**State of Alaska  
Department of Commerce,  
Community & Economic Development**

AND

**Chilkat Indian Village**

*Prepared by:*



*Juneau • Anchorage*

*This report was prepared with funding from the  
U.S. Department of Commerce, Economic  
Development Administration*



***July 2009***

# Table of Contents

---

- Executive Summary..... 1**
- Introduction and Methodology.....9**
- Situation Analysis..... 11**
  - Statewide and Regional Visitor Data and Trends ..... 11
  - Haines Visitor Data and Trends ..... 16
  - Haines Resident Data and Trends..... 19
  - Competitive Environment..... 20
- Managing Impacts..... 25**
  - Role of Best Management Practices ..... 25
  - Impact Management Recommendations ..... 25
  - Community Input and Acceptance ..... 29
- Marketing Recommendations ..... 33**
  - Effective Marketing Channels and Outlets..... 33
  - Target Markets ..... 34
  - Marketing Strategies ..... 37
  - Marketing Partners and Key Contacts ..... 43
- Implementation Plan ..... 47**
  - Preparation ..... 47
  - Implementing the Plan ..... 50
- Appendix..... 53**
  - Community Stakeholder Meeting ..... 53
  - Case Studies..... 59



# Executive Summary

---

The Chilkat Indian Village is developing a Jilkaat Kwaan Cultural Heritage Center (JKCHC) intended to enhance economic development opportunities while addressing a need for cultural preservation and enrichment. The Alaska Department of Commerce, Community, and Economic Development contracted with McDowell Group to develop a plan that guides tourism marketing and operations in an appropriate manner that respects Tlingit culture and the community. The State worked closely with Chilkat Indian Village throughout the project.

The plan includes a situation analysis (with essential information about Haines markets and the competitive environment), a summary of the April stakeholder meeting held in Klukwan, and case studies conducted with seven organizations and communities. Key elements of the plan are summarized below.

## **Managing Impacts**

The role of a Best Management Practices program is to ensure that tourism development at JKCHC is compatible with the community of Klukwan.

### **IMPACT MITIGATION RECOMMENDATIONS**

#### ***Recommended Rules for Tourist Conduct***

The following guidelines should be reinforced through signage, tour guides, and employees.

- Visitors will remain within the JKCHC campus, refraining from walking or driving through Klukwan or the cemetery.
- Visitors are asked to refrain from fishing or camping in or near Klukwan.
- Visitors are asked to limit photography to the JKCHC site.
- Visitors are asked to refrain from littering.
- Visitors are asked to refrain from throwing anything into the Chilkat River and to stay away from the riverbank. The extremely swift, cold, and silty water can be very dangerous. The river is also an important source of food for the village.

#### ***Recommended Tour Operator Conduct***

The following recommendations are intended for vehicles operated by JKCHC and business partners.

- Tour vehicles will not impede traffic along the Haines Highway or at the entrance into Klukwan.
- Tour vehicle drivers will drive into the JKCHC site only and will refrain from driving through Klukwan.
- Drivers will ask passengers to remain within the JKCHC site, discouraging visitation to the cemetery and residential area of Klukwan.
- Drivers will turn off vehicle engines at every reasonable opportunity, refraining from unnecessary idling.

## ***Signage and Directional Flow***

To encourage safe and respectful pedestrian and vehicular activity, the following signs are recommended.

- Informational signage should be placed near the Haines Highway/Klukwan intersection to encourage visitors entering Klukwan to continue to the JKCHC site.
- A sign should be located near the west entrance north of Klukwan stating that JKCHC is one-half mile ahead.
- A welcome sign at the JKCHC should direct visitors to appropriate parking areas for buses, RVs, and private vehicles and to the admissions/ticket office.
- A sign should be placed near the SEARHC clinic area, discouraging traffic from entering the village. Suggestions made at the Stakeholder Meeting included: "No services beyond this point. Please respect our privacy."
- A sign should be placed at the cemetery requesting that visitors show respect and refrain from entering the area.
- Signage should be placed inside the JKCHC site, stating the guidelines for visitor conduct. The sign should be placed to attract visitors' attention after they leave their vehicles, but before they enter the attraction.
- Signs should be placed near the Chilkat River in several key locations to discourage visitors from approaching the bank or throwing anything into the water.
- Directional and safety signage should be placed at several key locations on the trail system, such as entrance points and intersections. Directional information will ensure that visitors can find their way back to the JKCHC. Safety language may encourage visitors to travel in small groups, avoid littering, and refrain from eating on the trails, as well as how to respond if a bear is sighted.
- If the trails link with the State Parks Eagle Preserve Trail system as planned, JKCHC will want to develop signage that encourages visitors to continue to the restaurant, retail shop, and other attractions.

## **COMMUNITY INPUT AND ACCEPTANCE**

The following goals were identified at the stakeholder meeting held in April 2009.

- Maintaining respect for Klukwan residents and cultural traditions.
- Maximizing safety of Klukwan residents and property.
- Keeping visitors and vehicles at the JKCHC site; discouraging traffic through the community.
- Discouraging visitation of the cemetery across from the JKCHC site.
- Bear safety on the trails and at the site.
- Passenger and employee safety at the river.
- Protection of the riverbanks and fish.
- Prevention of sportfishing in the Klukwan village area.

- Reducing/eliminating littering, reducing/eliminating excessive packaging, and encouraging re-use and recycling of items.

Additionally, JKCHC and the Chilkat Indian Village should work together to ensure further community input; the development of agreements with local tour operators, including the Tour Operator Conduct; and tour guide and employee training that includes the TBMP program. The two organizations also should make sure businesses and partners are included in the program, and that residents understand and reinforce the guidelines.

## **Marketing Recommendations**

The plan includes a discussion about effective marketing channels and an analysis of target markets for JKCHC. This information was synthesized into the following marketing strategies. Contact information is provided in the plan for trade organizations, marketing partners, and cruise line representatives to assist JKCHC with implementation.

### **SHORT-TERM STRATEGIES**

These activities are anticipated to commence immediately and continue through the second full year of operations. If financial resources permit additional marketing investment, JKCHC staff should pursue some of the longer-term strategies.

#### ***Cruise Market Strategies***

- Prepare a written proposal with an overview of the facilities and tour concept, completion dates, and admission rates (net pricing, not retail). Supplement the description with photos, maps, and artist renderings to help convey the quality and guest experience.
- Invite cruise line representatives to the site during summer 2009.
- Explore potential for including JKCHC in existing Haines tour packages.
- Attend annual Alaska Travel Industry Association (ATIA) conference in Fairbanks in October to meet with cruise line representatives and other potential markets.
- Consider the advantages and disadvantages of selling tours directly to visitors in advance or on the Haines dock. (If pursued, this action could preclude some partnering and marketing opportunities.)

#### ***Cooperative Marketing***

- Join the Alaska Travel Industry Association (ATIA) and Travel Industry Association Yukon (TIAY), and engage with Haines Convention and Visitors Bureau (HCVB) immediately.
- Utilize trade organizations for education, networking, and identification of marketing opportunities.
- Obtain membership cost and benefit information from other trade organizations identified in the plan. Pursue membership and marketing opportunities as funding allows.

#### ***Advertising***

- Ensure HCVB has contact information and product description for the 2010 *Haines Vacation Guide* and associated Web site.

- Obtain free ATIA listing advertising and secure a hot link to the JKCHC Web site.
- Purchase a basic listing ad in ATIA's 2011 *Official State Vacation Planner* (publication dates have closed for 2010).
- Place a display ad in the *Haines Visitor Guide*, published by the Chilkat Valley News.
- Explore other potential advertising opportunities by compiling information such as visitor usage, publication quantity, distribution plan, and price. Evaluate best use of contingency funds in current budget.
- Explore creative marketing programs with hotels, car and RV rentals, and other businesses. Examples include joint advertising placements and discount coupons.

### ***Collateral Materials***

- Produce a rack card for distribution in targeted businesses in Haines and nearby communities.
- A separate brochure may need to be produced if the tour is offered onboard cruise ships and JKCHC operates all components. (If JKCHC is a component of another tour, then the lead tour company typically assumes responsibility for brochure development.)
- Distribute brochures in nearby locations personally and contract with a brochure distribution service for other locations.

### ***Web site***

- Conduct a competitive analysis of tourism Web sites to help guide upgrade of JKCHC's site.
- Design a stand-alone site, or redesign the tourism portion of the existing Chilkat Indian Village Web site. The end product should be visually appealing and quickly provide information sought by prospective visitors.

### ***Package Tour Operator Strategies***

- Identify tour operators that currently travel in the Haines area including motor coach tour operators and adventure tours.
- Contact product development managers, utilizing a written proposal similar to the one developed for the cruise lines. Invite managers and owners to Klukwan for a site visit.
- Participate in any familiarization tour (FAM) opportunities coordinated by HCVB, ATIA, or similar entity.
- Participate in tour operator forums and "60-Second Hot New Product" presentation at the fall ATIA conference.
- Follow up with marketing leads generated at tour operator marketing conferences, such as the American Bus Association, National Tour Association, and the U.S. Travel Association of America. These leads are commonly provided at no cost to members of participating destination-marketing organizations such as ATIA.

### ***Public Relations***

- Coordinate with HCVB staff to ensure inclusion in Haines area press trips.

- Contact popular travel guides with a brief description of the attraction, location, and contact information, requesting a mention in their next update.

### ***Photography/Images***

- Build a library of high-quality digital photos for use in brochures, Web sites, and public relations efforts.
- Digitize maps, historical photos, and architectural renderings of the facility for similar usage.

### ***Local Resident Awareness***

- Inform community residents about milestones in the project development to build awareness and enthusiasm.
- Host a “Community Appreciation Day” each spring to showcase new features and request referrals from Haines area residents.

### ***Highway Signage***

- Apply for a Tourist-Oriented Directional Sign (TODS) through the Alaska Department of Transportation and Public Facilities.
- As visitation grows, pursue a Recreational/Cultural Interest Area Sign (RCIA) from the same source.
- Participate in Haines Highway Scenic Byway programs, which can increase visitor awareness of the region and attractions.

## **LONGER-TERM STRATEGIES**

The longer-term strategies are anticipated to commence in project years three through five, as larger marketing budgets and internal staff resources are developed. Management should continue to engage in the core strategies discussed above.

### ***Professional Public Relations Support***

- Contract with a professional public relations firm to assist with development and implementation of a targeted media program. This should be considered a priority item and pursued as soon as marketing resources permit.

### ***Advertising Program***

- Based on research regarding visitor information sources, ad placements made by HCVB and local businesses, and information compiled about distribution and ad price, increase the advertising presence for JKCHC.

### ***Cruise Line Sales and Package Tour Operator Sales***

- Coordinate a marketing trip to meet with key cruise line and tour operator contacts.
- As appropriate, consider additional outreach such as hosting a cruise line staff appreciation event at JKCHC, purchase of appreciation gifts for cruise line sales staff, and participation in tour operator forums.

### ***Expanded Internet Program***

- Increase JKCHC Web site exposure through Internet-based advertising and links.
- Incorporate more interactive features such as itinerary suggestions, visitor testimonials, sounds, and webcams.

## **Implementation Plan**

### **PREPARATION**

The management portion of the plan requires minimal immediate action and little investment. In contrast, many of the marketing strategies are urgent if JKCHC wants to secure tour and cruise line contracts for 2010.

In preparation for facility completion, JKCHC managers should review and update the Business Plan, secure needed operating and capital construction funding, and devise other internal systems, such as an operations plan, emergency response plan, human resources plan, and personnel policies.

Skills and experience needed at this time include organizational skills, communications skills, and marketing and sales experience. The budget for short-term marketing and management strategies is \$33,120 (exclusive of staffing and office rent). The budget for the longer-term strategies grows to \$57,120.

### **IMPLEMENTING THE PLAN**

Roles and responsibilities have been identified for the Chilkat Indian Village, Tribal Council, JKCHC Management, and JKCHC Board of Directors. The roles are intended to provide complementary guidance, support, and input to future development. It is likely that roles will evolve as the operation evolves from the construction, phase, the start-up phase, and into a mature business operation.

#### ***Chilkat Indian Village***

- The Chilkat Indian Village has been a driving force in the project planning, solicitation of grants, and construction phases. As the project management team assumes greater responsibility for daily activities, the role of the tribe will likely transition into helping tribal and community members achieve personal and financial success.
- The tribe can serve an important advisory role in defining and guiding the degree of cultural interpretation and exchange that will happen with JKCHC visitors.
- The tribe is likely to be involved in helping set the policies and procedures for the storage of artifacts and clan property in JKCHC facilities.
- The tribe can have a valuable role in helping Klukwan residents enhance their employment skills.
  - The tourism development will need front-line employees with strong customer service skills, cultural interpreters and tour guides, and people with mechanical and technical skills.
  - To ensure that management and supervisory skills are continually developed internally, the tribe also may also want to offer skills training in these areas.
  - The tribe also can help local artists achieve success by offering training in product development, pricing, and marketing.

- Traditional knowledge camps and Tlingit language camps will serve dual goals of helping the village preserve the culture and build skills and confidence in JKCHC employees.
- The tribe is a unique entity and is capable of accessing grant funds and resolving issues on a government-to-government basis. As the facility continues to develop, the tribe will likely remain an important resource for identifying and pursuing capital and operating grants and other resources.

### ***Tribal Council***

- The Tribal Council has overall responsibility for ensuring that the JKCHC meets the original goals of preserving, protecting, and perpetuating the cultural heritage of Klukwan residents.
- The Tribal Council will help ensure the protection of the community, residents, and the surrounding area.
- The Tribal Council should serve as an important avenue for community residents to express their goals, ideas, and concerns about the JKCHC. In turn, the Council leadership should share this feedback with JKCHC board and management team on a regular basis.
- The Tribal Council should refrain from becoming involved in day-to-day operational or personnel issues. When concerns arise, the Tribal Council can help reinforce the organizational structure and procedures of JKCHC.
- The Tribal Council will set and reinforce community-level policy decisions, such as the desire to direct visitor traffic and businesses to the JKCHC site, rather than in the village. The Tribal Council should gauge changes in resident support for allowing small business opportunities within the village, such as home-based sales of crafts and food.
- The Tribal Council should take a lead role in soliciting community input as the TBMP program is refined.

### ***JKCHC Management***

- This team of senior managers has day-to-day responsibility for the site and operations, including the financial health of the organization, safety of employees and visitors, quality of the experience, and protection of physical and intangible property.
- The management team is responsible for ensuring that JKCHC complies with applicable state and federal laws regarding public health and safety, transportation, employment and labor laws, and environmental protection.
- The management team is responsible for developing, implementing, and refining plans and policies, including the operations plan, TBMP plan, marketing plan, etc.
- The management team is also responsible for development of strategic relationships with businesses and organizations that have a solid reputation, a desire to help JKCHC succeed, and a history of sound business practices and ethical behavior.

### ***JKCHC Board of Directors***

- The board has fiduciary responsibility for the organization.
- The board maintains responsibility for policy decisions that affect employees and operational procedures at the JKCHC.

- The board has responsibility for hiring, evaluating, and terminating the most senior level manager at the JKCHC. (Depending on the organizational structure, this may be the President and CEO, Executive Director, or Chief Operating Officer.)
- The board is also responsible for approval of management and operating plans developed by the JKCHC management team.

# Introduction and Methodology

---

The Chilkat Indian Village is developing a multi-faceted program intended to enhance economic development opportunities while addressing a need for cultural preservation and enrichment. As the three-phased Jilkaat Kwaan Cultural Heritage Center (JKCHC) nears completion, it is essential that the tribe and community have a plan to guide tourism marketing and operations in an appropriate manner that respects both Tlingit culture and the community lifestyle enjoyed by Klukwan residents.

The Heritage Center includes three major elements:

- Traditional Knowledge Camp includes a long house, an adzing shed, a fish drying shed, and a smokehouse.
- Hospitality House (Likoodzi Kaayuwateen Hidi) will welcome visitors in the traditional cultural values of sharing and generosity. This facility will serve as a Native art and retail center and restaurant, and will be available for community use.
- Cultural Heritage Center is the central attraction of the development; this is where cultural history and practices are displayed and demonstrated.

To facilitate the development of the management and marketing plan, the Alaska Department of Commerce, Community, and Economic Development coordinated procurement and contractual aspects of the plan. Representatives from DCCED's Office of Economic Development facilitated project teleconferences and participated in the stakeholder meeting in Klukwan.

Project tasks included a series of case studies conducted with communities and organizations that have experienced the challenges of tourism development, while maintaining respect for culture and community. The project also included compilation and analysis of numerous data sources concerning Haines residents and visitors. This information was used in the development of target markets and tactics; it will be valuable in the ongoing refinement of the business plan and other documents. McDowell Group also facilitated a two-day stakeholder meeting in Klukwan early in the planning process to solicit input from residents about their ideas, goals, and concerns regarding the development.



# Situation Analysis

---

In preparation for development of a tourism management plan and marketing recommendations for the Jilkaat Kwaan Cultural Heritage Center (JKCHC), the study team reviewed visitor data and information regarding Haines residents. Much of this data was acquired from previous McDowell Group projects. The study team gathered the most currently available data. Readers should note that, in many instances, the most recent visitor data was for summer 2006, when the *Alaska Visitor Statistics Program* was conducted.

Analysis of market and population data helps frame the operating environment for the JKCHC. When paired with local resident input and goals, this body of information serves as the foundation for the management and marketing recommendations.

## Statewide and Regional Visitor Data and Trends

Estimated visitor volume and visitor profiles are available periodically through the State's *Alaska Visitor Statistics Program*. The comprehensive summer 2006 report included visitation estimates at the regional and community level. In the two subsequent years, reports included only statewide visitor volume estimates. The most current AVSP data is presented below, along with recent cruise passenger counts.

Visitation to Alaska dropped by 0.4 percent between summer 2007 and 2008. Most of the drop was attributed to a decrease in visitor exits by air. Highway and ferry exits also decreased during this period, while the cruise market segment increased slightly. Likely factors contributing to the slight decline include the early phase of the economic recession and the high price of gasoline.

### Estimated Alaska Visitor Volume Summer 2006 to 2008

	All Visitors	Percent Change
Summer 2006	1,631,500	-
Summer 2007	1,714,100	+5.1%
Summer 2008	1,707,400	-0.4

Source: *Alaska Visitor Statistics Program V*, McDowell Group.

### MARKET CHANGES AHEAD

The Alaska visitor industry is braced for continued drops in the next couple of years. Four small ships pulled out of Alaska in 2009, reducing passenger capacity by nearly 10,000 visitors. The decline in small ship traffic will cause a sizeable reduction in air and lodging revenues, as small ship passengers typically embark and disembark in the Southeast region. During spring and early summer 2009, hotels and lodges throughout Alaska were reporting significant reductions in bookings and revenue. Air carriers also have reduced flight capacity to and from the state.

Additional changes in large ship deployment for 2010 will result in a loss of approximately 150,000 passengers when compared to cruise visitation in 2008.

## Southeast Visitation and Spending

Southeast Alaska attracted nearly 1.2 million visitors in 2006, slightly more than 70 percent of the statewide market. The regional market is comprised of approximately one million cruise passengers and 180,000 non-cruise visitors. The regional cruise and noncruise markets are discussed in more detail in the following sections.

The visitor expenditure data in the following table reveals considerable differences in the average amount spent in each community. Differences are attributable to wide variations between communities in terms of visitor volume, types of markets served, assortment of tour and retail offerings, and visitor appeal.

With the exception of Glacier Bay/Gustavus (where large ship passengers do not have a chance to disembark), Haines has the lowest average spending on gifts and souvenirs, and is among the lowest for tours and dining expenditures.

### Visitor Expenditures, Per Person Southeast Communities

	All Visitors	Southeast	Juneau	Ketchikan	Skagway	Sitka
Ave. in-state expend.	\$934	\$754	\$690	\$684	\$703	\$752
Expend. in location		480	177	150	159	198
Lodging		17	9	4	1	12
Tours/activity/ entertainment		208	86	51	87	46
Gifts/souvenirs/ clothing		184	66	77	63	46
Food/beverage		28	10	10	6	15
Rental cars/fuel/ transportation		8	3	5	1	2
Other		35	3	3	1	77
	Glacier Bay/ Gustavus	Haines	Hoonah/Icy Strait Pt.	Petersburg	Wrangell	
Ave. in-state expend.	\$752	\$878	\$761	\$1,418	\$1,184	
Expend. in location	12	76	53	302	115	
Lodging	1	10	-	32	32	
Tours/activity/ entertainment	4	34	31	22	15	
Gifts/souvenirs/ clothing	1	10	16	27	35	
Food/beverage	1	12	5	43	17	
Rental cars/fuel/ transportation	-	9	-	13	6	
Other	5	1	1	165	10	

Notes: Excludes transportation to/from Alaska. "Other" includes multi-day packages attributable to one community, usually sport-fishing lodge packages.

## Alaska Cruise Ship Market

Alaska attracted more than 1 million cruise passengers in 2008. Cruise passenger volume increased steadily between 1999 and 2005; the growth rate tapered in recent years.

### Alaska Cruise Ship Passenger Trends Summers 1999 to 2008

Year	Passengers
1999	595,959
2000	640,477
2001	690,600
2002	739,800
2003	777,000
2004	884,400
2005	953,400
2006	958,900
2007	1,029,800
2008	1,033,100

Source: Cruise Line Agencies of Alaska.

Juneau, Ketchikan, and Skagway attracted the largest volume of cruise passengers in 2008. Visitation to other Alaska ports is considerably smaller.

### Cruise Passenger Visitation, By Community Summer 2008

Community	Passengers
Juneau	1,032,274
Ketchikan	941,910
Skagway	781,676
Sitka	289,753
Whittier	220,117
Seward	165,959
Icy Strait Point	126,381
Haines	50,121
Wrangell	4,002

Source: Cruise Line Agencies of Alaska.

## Regional Small Cruise Ship Market

Small-ship cruise passenger traffic to Southeast was nearly 21,000 passengers in 2008. Unlike the growth experienced by the large ships, the size of the small-ship market was fairly stable in recent years. Juneau attracted the largest number of small-ship calls and passengers in 2008. (Note: Small-ship passengers were included in the passenger totals on the previous page. The data is isolated in the following table because of the high interest in serving this market.)

Four small ships withdrew from the Alaska market in 2009, reducing passenger capacity by 10,000 visitors. The small-ship market is perceived as being more vulnerable than large cruise lines to the current economic recession, as their marketing reach and ability to discount to fill berths is appreciably smaller.

### Small-Ship Cruise Passengers Summer 2008

Community	Port Calls	Passengers
Juneau	241	20,926
Bartlett Cove/Gustavus	158	11,189
Sitka	157	15,455
Petersburg	115	9,558
Skagway	95	10,932
Haines	78	7,664
Ketchikan	64	7,985
Metlakatla	48	4,552
Wrangell	24	4,002

Source: Cruise Line Agencies of Alaska.

## Regional Noncruise Market

During summer 2006, nearly 180,000 noncruise visitors traveled to Southeast Alaska. (This estimate does not include Alaska residents traveling for business or pleasure.) The noncruise market includes independent travelers, visitors who purchased multi-day travel packages, and business travelers. These visitors travel between communities by air, ferry, highway, and water taxi.

The most popular Southeast destinations in terms of visitor volume were Juneau, Ketchikan, and Skagway. Haines attracted 31,000 noncruise visitors, or 17.3 percent of the regional market.

### Estimated Noncruise Visitor Volume Summer 2006

	Noncruise Visitors
<b>Southeast</b>	<b>179,000</b>
Juneau	70,000
Ketchikan	56,000
Skagway	46,000
Sitka	41,000
Haines	31,000
Wrangell	23,000
Glacier Bay/Gustavus	21,000
Petersburg	19,000
Prince of Wales Is.	12,000
Hoonah	4,000

Source: *Alaska Visitor Statistics Program V*, McDowell Group.

## Haines Visitor Data and Trends

According to visitor volume estimates produced for AVSP V, Haines attracted 124,000 visitors during summer 2006, with 75 percent of the market traveling by cruise ship. Estimates provided below for 2008 and 2009 are based on changes in cruise visitation for each year and a projected decrease in noncruise travel in 2009.

### Haines Summer Visitation Estimates

	2006	2008 est.	2009 est.
<b>Total Visitor Volume</b>	<b>124,000</b>	<b>140,000</b>	<b>125,000</b>
Noncruise visitors (highway/air/ferry)	31,000	31,000	23,000
Cruise passengers	93,000	110,000	104,000
From Haines ships	33,000	50,000	44,000
From Skagway ships	60,000	60,000	60,000

Source: Alaska Visitor Statistics Program V and McDowell Group estimates. Does not include Alaska residents.

### Haines Cruise Ship Traffic

Cruise ship traffic to Haines has fluctuated considerably. While nearly 200,000 passengers were on board ships that called at Haines in 1999, the evening port calls significantly limited the number of passengers that disembarked. Since then, the community has attracted ships during the daytime. Retail and tour sales to these passengers have increased.

In 2008, the number of Haines cruise passengers exceeded 50,000 passengers (an increase of 45 percent compared to 2007). The 2009 cruise ship schedule indicates a slight decrease to 44,000 passengers.

### Haines Cruise Ship Passengers 1999 to 2009

Year	Passengers
1999	195,466
2000	45,804
2001	90,595
2002	28,479
2003	28,479
2004	29,566
2005	30,832
2006	32,896
2007	27,659
2008	50,121
2009 (est.)	44,000

Source: Cruise Line Agencies of Alaska.

Additionally, an estimated 50,000 to 60,000 cruise passengers experience Haines as a shore excursion while their ship is docked in Skagway.

## Haines Non-Cruise Visitor Profile

The following table includes a summary profile of the 31,000 noncruise passengers who visited Haines during summer 2006. A large percentage of these visitors said they were very likely to return to Alaska.

### Haines Noncruise Visitor Profile Summer 2006

	% of Visitors
<b>Primary Trip Purpose</b>	
Vacation/pleasure	88%
Visiting friends/relatives	8
Business	4
<b>Length of Stay</b>	
Average # of nights in Alaska	18.6
Average # of nights in Haines	2.9
<b>Visitation to Regional Destinations</b>	
Skagway	65%
Juneau	44
Ketchikan	24
Wrangell	21
Sitka	19
<b>Previous and Future Alaska Travel</b>	
Been to Alaska before for vacation	47%
Average # prior vacation trips	5.9 trips
Traveled by highway last trip	45
Traveled by air last trip	44
Traveled by cruise last trip	17
Traveled by ferry last trip	4
Very likely to return within 5 years	46%
<b>Demographics</b>	
Western US	34%
Southern US	18
Midwest US	11
Eastern US	1
International visitors	34
Canada	17
Other international	17
Average party size	2.5
Average age	53
Male/Female	51/49
Average household income	\$85,000

Source: Alaska Visitor Statistics Program V, McDowell Group.

## **Special Events**

Haines attracts an estimated 3,500 to 5,000 visitors annually at special events and festivals held throughout the year. The majority of special event attendees are Alaska and Yukon residents from nearby communities. As the events have grown in size and notoriety, several have attracted national and international attendees.

Some of the most well-known events include:

- Alcan 200 Road Rally
- Bald Eagle Festival
- Dick Hotch Basketball Tournament
- Fort Seward Days
- Great Alaska Craftbeer and Homebrew Festival
- Kluane to Chilkat International Bike Relay
- Ride Yukon Motorcycle Event
- Southeast Alaska State Fair.

## **Conferences and Conventions**

The community occasionally hosts conferences and events, bringing groups of 25 to 200 attendees into the community for several days. Attendees are typically Alaska and Yukon residents; some conferences, however, attract presenters and delegates from other locations.

In 2008, Haines hosted three groups ranging in size from 70 to 80 attendees:

- Alaska Harbormaster Convention
- CHARR Convention
- TIA Yukon Conference.

In fall 2009, Haines will host the Southeast Conference. The regional gathering of municipal, business, and community leaders is projected to attract 150 to 200 attendees to the community for several days.

## Haines Resident Data and Trends

Haines residents represent a small component of the JKCHC market and an importance source of referrals.

### Population and Employment

- While Haines' population increased by 2.8 percent from 2007 to 2008, the community remains smaller than it was a decade ago.
- The population's median age has increased by five years since 2000.
- School enrollment has been steadily decreasing the past 10 years. Despite slight increases in 2006 and 2007, enrollment was still significantly lower than a decade ago.
- While average monthly employment increased by 18 percent between 1999 and 2005, it increased by only 1 percent between 2005 and 2007.

#### Population and Employment Trends 1999 to 2008

Haines	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Population</b>	<b>2,475</b>	<b>2,392</b>	<b>2,368</b>	<b>2,356</b>	<b>2,316</b>	<b>2,250</b>	<b>2,205</b>	<b>2,234</b>	<b>2,246</b>	<b>2,310</b>
19 and under	-	27.3%	26.6%	26.2%	25.0%	24.3%	22.6%	22.9%	21.8%	22.6%
20 to 64	-	62.2	62.6	62.8	63.3	63.3	64.8	64.0	64.9	63.6
65+	-	10.5	10.8	11.0	11.6	12.4	12.6	13.1	13.3	13.8
<b>Median age</b>	<b>-</b>	<b>40.7</b>	<b>40.8</b>	<b>41.3</b>	<b>42.0</b>	<b>43.4</b>	<b>44.6</b>	<b>45.1</b>	<b>45.6</b>	<b>45.7</b>
<b>School Enrollment</b>	<b>425</b>	<b>402</b>	<b>379</b>	<b>331</b>	<b>328</b>	<b>300</b>	<b>295</b>	<b>303</b>	<b>319</b>	<b>312</b>
<b>Employment</b>										
Peak month	Sept.	Aug.	Sept.	Aug.	Aug.	Aug.	Aug.	Aug.	Aug.	n/a
Peak	1,450	1,548	1,282	1,319	1,576	1,697	1,760	1,808	1,799	n/a
<b>Monthly avg.</b>	<b>888</b>	<b>993</b>	<b>882</b>	<b>893</b>	<b>947</b>	<b>1,002</b>	<b>1,050</b>	<b>1,056</b>	<b>1,061</b>	<b>n/a</b>

Source: Alaska Department of Labor and Workforce Development and Department of Education and Early Development.

## Transportation Trends

- Ferry ridership has increased in recent years, but remains considerably lower than a decade ago.
- Ferry ridership includes approximately 1,200 to 2,400 visitors traveling by motor coach each summer. This small market segment is appealing because of the potential for overnighting in local accommodations and itinerary flexibility.
- Air traffic has remained fairly steady in recent years, but reflects a decline since 2000. (Data for 2008 is not yet published.)
- Highway traffic has declined by more than 20 percent over the last decade. Highway visitors, however, remain an important aspect of Haines' tourism industry. Further, these visitors average nearly three nights in Haines, giving them ample opportunity to visit the JKCHC.

### Transportation Trends 2000 to 2008

	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Ferry Traffic</b>									
Embarking	40,160	34,762	38,113	35,557	34,043	32,598	31,249	33,033	34,946
Disembarking	38,779	33,333	36,923	35,237	34,055	32,223	29,759	31,502	34,214
<b>Air Enplanements</b>									
	10,655	9,652	5,847	7,712	7,940	8,054	7,071	7,554	n/a
<b>Highway Traffic</b>									
<b>Passenger</b>									
Southbound	44,380	46,294	48,117	44,006	43,556	40,893	39,140	39,338	34,434
Northbound	41,964	41,512	46,018	41,991	44,182	42,237	32,174	36,677	32,315
<b>Vehicle</b>									
Southbound	20,452	20,590	21,273	20,374	20,121	17,525	18,052	18,310	15,978
Northbound	19,278	19,275	21,017	19,864	20,317	20,231	15,556	16,771	14,791

Source: Alaska Marine Highway, Federation Aviation Administration, US Customs, Haines Convention and Visitors Bureau.

Note: Figures are annual totals and include residents and visitors.

## Competitive Environment

It is important for Jilkaat Kwaan management to understand the competitive environment at the community and regional level. The following tables provide information about the tours typically offered to Skagway and Haines cruise passengers including the tour name, duration, and retail price. Many of the tours listed are also popular with noncruise visitors.

The large number of Skagway tour offerings reflects the high passenger volume (approximately 800,000 in recent years). It is important to note that Haines tours offered to Skagway cruise passengers are quite long in duration and expensive when compared to comparable products in the region, largely due to the cost and time of marine travel between the ports.

## Shore Excursions for Skagway Cruise Ship Passengers

Tour Name	Approximate Duration (Hrs)	Adult Price
<b>Skagway</b>		
Dog Sledding and Glacier Flightseeing	2	\$559
Skagway's Custom Classic Cars	4	539
Heli-Hike and Rail Adventure	5-5.5	399
Lake Bennett Train and Stampeder's Trek	8.5	375
Glacier Discovery by Helicopter	2	309
White Pass Bennett Lake Adventure	8.5	299
Snowshoe Hike and Rail Adventure	8-8.5	259
Glacier Point Wilderness Safari	5.5	254
Glacier Country Flightseeing	1.5	249
Glacier Lake Kayak and Scenic Railway	5	225
Best of Skagway	6.5	219
Deluxe Klondike Experience and Rail Adventure	6	205
Klondike Scenic Highlights	7	205
Golden Glassblowing Experience	3	199
Yukon Expedition and White Pass Scenic Railway	8	199
60° North Yukon Golf and Scenic Drive	8	179
Gold Fever Adventure and Exclusive Scenic Railway	5-5.5	179
Horseback Riding Adventure	3.5	169
Yukon Jeep Adventure	5	154
White Pass Scenic Railway	3-3.5	125
Experience the Yukon and Suspension Bridge	8	124
Alaska Sled Dog and Musher's Camp	2.75	119
Chilkat Trail Hike and Float Adventure	4.25	119
Experience the Yukon	7	109
Klondike Rock Climbing and Rappelling	3.25	99
Alaska Garden Gourmet Culinary Tour	3	99
Bordello Breakfast and Suspension Bridge	4.25	94
Klondike Bicycle Tour	2.5	89
Rainforest Bicycle Tour	3	89
Klondike Summit, Suspension Bridge, and Salmon Bake	4	89
Historical Tour and Liarsville Salmon Bake	2.5	69
Klondike Summit and Liarsville Experience	3	64
Delectable Jewell Gardens	2	49
Gold Fever Adventure	2	49
Skagway and the Dangerous Days of '98	2.5	44
Ghosts and Goodtime Girls Walking Tour	2	42
Skagway's Original Street Car	2	40
To the Summit	1.5	38

*Table continued next page*

<b>Haines</b>		
Chilkoot Lake Freshwater Fishing	6.25	\$219
Takshanuk Mountain Trail by 4x4	6.25	200
Eagle Preserve Scenic Float and Wildlife Cruise	6.25	199
Eagle Preserve Wildlife River Adventure	6.25	189
Wilderness Kayak Experience	6.25	169
Alaska Nature and Wildlife Expedition	6	164
Remote Coastal Nature Hike	6	149

The number of tours offered in Haines is smaller when compared to the large-volume ports of Skagway, Juneau, and Ketchikan. Many Haines ships offer a series of Skagway excursions as well.

### Shore Excursions for Haines Cruise Ship Passengers

<b>Tour Name</b>	<b>Approximate Duration (Hrs)</b>	<b>Adult Price</b>
<b>Haines</b>		
Glacier Point Wilderness Safari	5.5	\$254
Sunshine Mountain ATV Adventure	3.5	169
Chilkoot Lake Freshwater Fishing	4	149
Exclusive Photo Tour	4	139
Takshanuk Mountain Trail by 4X4	5	135
Eagle Preserve Wildlife River Adventure	3.75	134
Wildlife Quest Float in the Eagle Preserve	4	129
The Alaska Wildlife Experience	3.25	119
Wilderness Kayak Experience	4	119
Glacial Fjord Bicycle Tour	3	90
Valley of the Eagles Golf Adventure	3.5	89
Chilkoot Lake Scenic Cruise	3	89
Alaska Nature and Wildlife Expedition	3	84
Remote Coastal Nature Hike	4	84
Deluxe Haines Highlights	3	69
A Taste of Haines	2	69
Best of Haines by Classic Motorcar	1	64
Offbeat Haines	2-2.5	49
Haines Walking Tour	1.5	24
<b>Skagway</b>		
Glacier Discovery by Helicopter with Landing	6.25	\$375
White Pass Rail, Klondike Highway and Gold Camp Adventure	7-8	249
White Pass Summit Scenic Railway	5.5	190
Tales of the Trail: Skagway and the Trail of '98	7-7.75	149
Historic Skagway, Fjord Cruise and Brothel Museum Experience	5.75	109

## Native Cultural Tours

The following table provides information about tours that feature Native culture in the region. It is important for JKCHC managers to understand that cruise passengers make purchasing decisions on a regional basis, seeking maximum value and a variety of experiences. While many visitors purchase a tour in each port, few purchase the same type of product in more than one location.

### Shore Excursions with Cultural Tours

Tour Name	Approximate Duration (Hrs)	Adult Price
<b>Juneau</b>		
Deluxe Mendenhall Glacier and Juneau Highlights (includes Museum)	4.5	\$89
Mount Roberts Tramway	1.5	26
<b>Icy Straight Point</b>		
Tribal Dance and Cultural Legends	1-1.5	\$38
Hoonah City Sightseeing Tour	1.5-2.0	50
Hoonah City Sightseeing and Tribal Dance Combo	2.5-3.5	NA
<b>Ketchikan</b>		
Totems and Lumberjack Combo	3.5-4	\$69
Saxman Native Village	2.5	59
Potlatch Park and Heritage Tour	3.5	59
Totem Traditions	2.5	39
<b>Sitka</b>		
Historic Russian America and Raptor Center Tour	4	\$59
Sitka Nature and History Walk	2.5	54
Sitka Culture and Russian History Tour	2.5	49



The Management Plan was developed from input during the Klukwan Stakeholder Meeting, information gained through case study interviews, observations of the selected sites/operations, information shared in tourism industry forums, and the project team's professional experience in the Alaska visitor industry.

## Role of Best Management Practices

The purpose of the Tourism Best Management Practices (TBMP) program is to ensure that tourism development at the JKCHC does not negatively affect the quality of life for Klukwan residents. By managing tour and facility operations in a manner that is compatible with the community's lifestyle and project goals, the management team can avoid problems and address issues before there is irreparable damage to property, safety, or community relations. The additional benefit of a proactive approach is that employees and residents can take pride in their contributions to the economic and cultural health of the community.

## Impact Management Recommendations

### Recommended Rules for Tourist Conduct

The following guidelines should be reinforced through signage, visitor orientation, and a welcome provided by tour guides and staff, and admissions/ticketing personnel.

- Visitors will remain within the JKCHC campus, refraining from walking or driving through Klukwan or the cemetery.
- Visitors are asked to refrain from fishing or camping in or near Klukwan.
- Visitors are asked to limit photography to the JKCHC site.
- Visitors are asked to refrain from littering.
- Visitors are asked to refrain from throwing anything into the Chilkat River and to stay away from the river bank. The extremely swift, cold, and silty water can be very dangerous. The river is also an important source of food for the village.

### Recommended Tour Operator Conduct

The following recommendations are intended for vehicular transportation operated by JKCHC or any tour companies that have contractual relationships with JKCHC.

- Tour vehicles will not impede traffic along the Haines Highway or at the entrance into Klukwan.
- Tour vehicle drivers will drive into the JKCHC site only and will refrain from driving through Klukwan.

- Drivers will ask passengers to remain within the JKCHC site, discouraging visitation to the cemetery and residential area of Klukwan.
- Drivers will turn off vehicle engines at every reasonable opportunity, refraining from unnecessary idling.

## **Signage and Directional Flow**

The Alaska Department of Transportation & Public Facilities manages a state highway signage program that can provide valuable marketing benefits for the JKCHC. Information about Tourist-Oriented Directional Signs (TODS), Recreational/Cultural Interest Area Signs (RCIA), and the Scenic Byways program is included in the marketing recommendations portion of the plan.

To encourage safe and respectful vehicular and pedestrian activity in Klukwan and at the JKCHC site, several additional signs are recommended. Because the road into Klukwan is also a state highway with specific regulations, signage will need to be placed on private property, in highly visible locations.

- Informational signage should be placed near the Haines Highway/Klukwan intersection to encourage visitors entering Klukwan to continue to the JKCHC site.
- A sign should be located near the west entrance north of Klukwan stating that JKCHC is one-half mile ahead.
- A welcome sign at the JKCHC should direct visitors to appropriate parking areas for buses, RVs, and private vehicles and to the admissions/ticket office.
- A sign should be placed near the SEARHC clinic area, discouraging traffic from entering the village. Suggestions made at the Stakeholder Meeting included: No services beyond this point. Please respect our privacy.
- A sign should be placed at the cemetery requesting that visitors show respect and refrain from entering the area.
- Signage should be placed inside the JKCHC site, stating the guidelines for visitor conduct. The sign should be placed to attract visitors' attention after they leave their vehicles, but before they enter the attraction.
- Signs should be placed near the Chilkat River in several key locations to discourage visitors from approaching the bank or throwing anything into the water.
- Directional and safety signage should be placed on the trail system at several key locations, such as entrance points and intersections. Directional information will ensure that visitors can find their way back to the JKCHC. Safety language may encourage visitors to travel in small groups, avoid littering, and refrain from eating on the trails, as well as how to respond if a bear is sighted.
- If the trails link with the State Parks Eagle Preserve Trail system as planned, JKCHC will want to develop signage that encourages visitors to continue to restaurant, retail shop, and other attractions.

While signage is a valuable tool, JKCHC staff should be realistic that visitors often miss signage. Information should be politely reinforced by tour guides, staff members, and residents.

## **Summary of Relevant Findings from Case Studies**

The following information was summarized from the case study interviews and observations. Detailed case study information can be found in the appendix.

### **MITIGATION OF COMMUNITY IMPACTS**

Many community concerns can be addressed by involving community members throughout the process of project development and implementation. Informed community members are more likely to interact positively with JKCHC operations and visitors. Residents will respect that their opinions matter and will be more likely to provide thoughtful input in the future.

#### ***Building community understanding and support for the project***

- It is important to understand the desires of residents and their attitudes towards the visitor industry early in the development process.
- Let residents know their questions, comments, and concerns are important.
- Hold pre- and post-season meetings to address community ideas and concerns.

#### ***Addressing community impact concerns***

- Develop a mechanism for gathering, addressing, and responding to concerns that develop during the visitor season.
- Regulate yourself before problems arise.
- Request partners to follow established guidelines.

#### ***Respect for culture***

- Create a cultural committee for local support and approval of the cultural aspects of tours and activities.
- Present Native culture in a realistic and authentic manner.
- Respect ownership of stories, designs, and artifacts. Seek permission for use and follow appropriate protocols.
- Showcase contemporary Native lifestyles along with historical perspectives of Native culture.
- Encourage community members to become involved in visitor activities and demonstrations. Use local guides whenever possible. Community residents will be more attuned to local traditions and customs.

- Provide on-the-job training for young people, pairing them with elders whenever possible, for both cultural training and reinforcement of work habits.
- Encourage the sale of as much local art as possible, while understanding that retail businesses need an appropriate mix of low-, medium- and high-end products. Encourage artist demonstrations and sales of their products in retail shops. Local artisans demonstrating their work and talking about their culture can have a powerful impact on visitors and result in a stronger connection between the artists and their culture. Local artists also should be engaged for development of JKCHC logos and infrastructure development such as totem poles and regalia.

#### **USE OF SIGNAGE**

- Site layout and signage should draw visitors to appropriate areas and away from sensitive areas such as the graveyard.
- Without proper signage, visitors will be uncertain where to go and what is allowable behavior. This is especially critical because of the uncontrolled access from the highway. Visitors who arrive at times when JKCHC staff or guides are unavailable must be provided with clear instructions on where they can go and what they can and cannot do.
- Signage concerning protocols for photographing community members, staff, and facilities should be located near the entrance to JKCHC.
- Interpretive signs can provide valuable information with the presentation at the location of interest. These types of sign cans be especially valuable for self-guided visitors.

#### **RESOLUTION OF DIFFICULT SITUATIONS**

- Planning for how community members should deal with difficult situations (inappropriate photography or trespassing, for example) is important.
- Creating general guidelines for dealing with difficult visitors (such as remain calm, explain why the behavior is inappropriate, and suggest alternatives).
- Review how to deal with difficulties at annual community meetings.
- Have plans for worst case scenarios. Identify who has responsibility and when to contact authorities.

#### **PLANNING AND BUDGET CONSIDERATIONS**

- Advance planning is critical to success. Planning for all aspects of a proposed operation is worth the effort. Learn from those around you who are already established. Having a detailed plan is important so that all participants have a clear understanding of what is expected.
- Be realistic about what you can accomplish. Monitor expenses closely and often. Do not start a venture that you cannot afford. There are nonfinancial benefits, however, such as training, employment, and market penetration. You must plan for profitability to survive in the long-term.

- Use resources already in place.

## **MARKETING AND OPERATIONAL CONSIDERATIONS**

- Partner with existing tour companies for immediate marketing clout and management mentoring.
- Partner with others to create combination tours.
- Tours that include multiple aspects, such as wildlife viewing and history, or those that include activities such as rafting or nature walks, will appeal to a wider audience than tours that focus solely on Native culture.
- Formal written hiring and on-the-job policies can alleviate some of the potential for expectations of favoritism based on relationships with board members or other management personnel.
- Establish and document training programs.
- Continually work on internal communication skills at all employee levels.
- Support retail shops with training on inventory and pricing.
- Respond to market and customer feedback on tour offerings.
- Allow some flexibility in how tour guides present their tours.
- Focus on great customer service.

## **Community Input and Acceptance**

A summary of the stakeholder meeting held in Klukwan in spring 2009 can be found in the appendix. This type of forum is valuable for identifying goals and concerns. In addition to the spring meeting, a feedback form was distributed to village residents by Chilkat Indian Village staff.

### **Advance Planning and Resident Input**

Prior to each operation season, the management team should review program goals and specific concerns expressed during the planning cycle and prior season. The TBMP program's central purpose should be maintaining excellent community relations and ensuring safety for visitors and employees.

Goals identified during the spring 2009 stakeholder meeting include:

- Maintaining respect for Klukwan residents and cultural traditions.
- Maximizing safety of Klukwan residents and property.
- Keeping visitors and vehicles at the JKCHC site; discouraging traffic through the community.
- Discouraging visitation of the cemetery across from the JKCHC site.

- Bear safety on the trails and at the site.
- Passenger and employee safety at the river.
- Protection of the river banks and fish.
- Prevention of sportfishing in the Klukwan village area.
- Reducing/eliminating littering, reducing/eliminating excessive packaging, and encouraging re-use and recycling of items.

If the JKCHC management and staff can devise an operational system that is compatible with these goals, community residents will have a significantly higher level of acceptance of the development and inconveniences caused by visitor traffic.

### **Future Community Input**

One or more community meetings should be held before each summer season to collect ideas and concerns from Klukwan residents. Even if attendance wanes over time, it is important to provide a formal opportunity for resident input.

Additionally, community residents should know where to direct their ongoing concerns about tourism impacts and operations. The individual should be a senior-level manager with excellent listening skills. The management team should maintain a record of the frequency and nature of community input to ensure that the TBMP program is responsive.

### **Agreements with Local Tour Operators**

A tour operator agreement specifies that the tour company will comply with the TBMP guidelines. Compliance includes making sure that employees are trained in the specific details of the program and responding to community concerns and complaints as they arise. The Juneau TBMP program provides decals for businesses and vehicles; an inexpensive way to incorporate this type of recognition into the Klukwan program is development of a JKCHC certificate.

### **Tour Guide and Employee Training**

The employee agreement is an affirmation that the employee will review and comply with the relevant aspects of the TBMP program. All JKCHC staff members will be expected to support the program.

The Juneau TBMP program offers employees a lapel pin in recognition of their support; this type of recognition is recommended for business partners' employees who support the program, including tour drivers, adventure guides, and marine transportation employees. In addition to being asked to comply with the TBMP program guidelines, these employees should be invited to experience the JKCHC tour early in the season. This is a valuable way to encourage enthusiastic and accurate referrals from visitor industry employees. (It also gives staff an opportunity to practice their skills and procedures early in the season, and solicit feedback from participants.)

## **Business and Partner Recognition**

At the beginning and end of the summer season, a newspaper ad should include a brief description of the TBMP program, the names of the participating businesses, and the number of individual employees that signed the agreement. Names also may be featured on the Chilkat Indian Village and JKCHC Web site.

## **Resident Participation**

Klukwan residents also are encouraged to review and comply with the TBMP program. A major area of concern is visitor traffic in the village. Residents should politely encourage visitors to return to the JKCHC site. While there is little action that a resident can take against a private vehicle, a tour operator that repeatedly violates the TBMP program can be denied access to the attraction. Violations or concerns should be brought to the attention of JKCHC managers; records should be maintained so they TBMP program can be adapted.

The tribal leaders have committed to development of the JKCHC in a manner that keeps visitors at the site. Some residents, however, have a tradition of selling food or crafts on a small scale from their homes. Future entrepreneurs may want to develop small business opportunities to capitalize on the visitor traffic. As visitation grows, this issue may need to be revisited. At this stage of development, entrepreneurs are encouraged to become involved with the JKCHC by becoming an employee, by providing arts and crafts demonstrations at the site, or by selling retail items at the Hospitality House on a wholesale or commission basis.



# Marketing Recommendations

---

## Effective Marketing Channels and Outlets

Following are brief descriptions of marketing terms and concepts that are commonly used by visitor industry professionals. An understanding of these terms will be valuable when interacting with business partners and when refining future activities to ensure the highest priority marketing efforts and the most effective marketing channels and outlets.

**Target Markets** are those that represent the highest potential return from an organization's marketing investment. (Target market examples include small cruise ship passengers or visitors traveling by highway.) Identifying target markets and understanding the potential volume of business from each market allows a business to spend marketing dollars in ways that are likely to have the greatest impacts on sales. Research is a key component to identifying and prioritizing target markets. Continued monitoring is important to understand the effectiveness of marketing efforts.

**Research** includes developing an understanding of the characteristics of each market segment and establishing tracking systems to monitor the effect of marketing activities. Examples of commonly tracked marketing activities include Web site usage, the number of inquiries from advertising placements, the number of brochures distributed, and the number of travel articles written about JKCHC. Tracking the results of an organization's marketing efforts can provide information that contributes significantly to future marketing decisions and allows for the most effective use of marketing dollars.

**Packaging** is combining products or services and selling them together at a single price. An example of a package is a tour that features a raft trip as the main activity, a cultural tour before or after the raft trip, and a snack. Visitors also must be transported to and from various locations. The components (activities, food, and transportation) may be provided by a single company or by multiple operators. The package tour is sold for a single price. The price is high enough to allow payment of commissions to travel agents, cruise lines, and others who sell the product. Commissions typically range from 10 to 30 percent.

**Sales** efforts can be directed at the consumer through activities such as travel shows and sales booths near the destination. Sales activities also can be directed at others who package and sell others products (known as wholesalers). Sales efforts will be essential when capturing a share of the cruise visitor market.

**Collateral** is defined as printed brochures, maps, Web sites, and other *published* information that communicates a message about products and services to current and potential customers. Using images and messages consistently throughout all printed materials is highly recommended to attract the highest level of attention and to create a positive impression on potential visitors.

**Advertising** is paid communication of a message and is targeted directly at individual customers. Advertising is considered an expensive, but effective, way to reach independent travelers. There is a wide array of advertising opportunities including visitor guides, magazines, newspapers, signage, and Web sites. The

development of a consistent message and theme (including logos and branding messages) is important to reinforce the impact of advertising.

**Cooperative Marketing** programs, such as those available through the Alaska Travel Industry Association (ATIA), Southeast Alaska Tourism Council (SATC), Haines Convention and Visitors Bureau (HCVB), and other destination marketing organizations are by far the most effective method of leveraging marketing dollars. Advertising and public relations efforts can be very expensive for individual organizations. When marketing efforts and investments are combined, however, opportunities become available at a more reasonable cost and can have a greater impact. To participate in these cooperative organizations, businesses typically need to become members. A membership fee commonly is based on the size of the business (number of staff or revenue). Members then have the opportunity to participate in marketing activities such as advertising in the organization's brochure and on its Web site.

Visitor Bureaus provide a range of marketing activities that are critical for tourism-related businesses such as the production and distribution of community brochures, brochure display for local businesses, community advertising and public relations, participation in regional and statewide marketing tourism marketing organizations, and meeting and convention marketing efforts. Working closely with the Haines Visitors Bureau will be an important activity for JKCHC marketing and operations managers. (As a Borough-run CVB, there is no membership fee or cost for most Haines marketing activities.)

**Public Relations (PR)** is a systematic approach to encourage the media to present articles or stories about destinations or products. A good PR action plan involves planned and coordinated efforts to have travel writers, travel show productions, and travel guide writers participate in activities that showcase tourism products and location. PR can convey a message that builds interest and awareness of a product or service. It can be more economical than advertising and it is perceived by customers to be more objective. Good PR does not come easily; there is competition among many businesses for PR, and opportunities must be sought-out and planned. PR efforts can be coordinated directly by tourism businesses. They are, however, most often are arranged through CVBs. Although some public relations efforts are free, businesses should include a budget in their marketing plan to provide complimentary activities, products, and services to generate PR for their organization.

**Visitor Information Services** are provided at the local and regional level by various organizations, including Convention and Visitor Bureaus (CVBs), Chamber(s) of Commerce, land management agencies, and major transportation providers. Operation of visitor centers is considered a marketing activity, as they can significantly influence visitors' activities, expenditures, and satisfaction.

## Target Markets

Quantifying the potential volume from each market will help guide marketing to the activities that are likely to provide the greatest return on investment. Some target markets are more easily measured than others. Utilizing a combination of historical data, visitor industry professional opinions, and team members' experience, each market is quantified below. The team also provided an assessment of short-term potential for market growth or decline. (The Situation Analysis section of this document presented detailed trend data and visitor volume estimates for the following markets.)

Due to the current economic conditions facing the country, estimating future visitation is challenging. Early reports from visitor industry operators concerning the 2009 season are mixed. Some companies report substantial decreases in visitor volume, while a few have reported steady or slightly increased visitation. Higher-end products seem to be the hardest hit. It seems likely that recovery of the US economy will restore Alaska visitation (and spending levels). For the next year or two, however, visitor volume and spending will be lower than in pre-recession years.

### **Cruise Passengers: Haines**

This target market consists of passengers from both large and small ships that dock directly in Haines. Haines attracted 30,000 to 50,000 passengers annually between 2006 and 2009. Cruise lines have announced changes for 2010 that will result in a loss of approximately 150,000 Alaska passengers. Haines will lose at least one large ship (11,000 passengers); final itinerary decisions will be publicized in the fall. Despite these fluctuations, the Haines cruise market offers significant opportunities for the JKCHC in terms of visitor volume. Cruise passengers' available time to visit the site may be limited, depending on how the tour is packaged and priced.

### **Cruise Passengers: Skagway**

The volume of cruise passengers who dock in Skagway and purchase a tour in Haines has been fairly stable, typically between 50,000 and 60,000 visitors. The overall volume is limited by the transportation capacity between Skagway and Haines. It is unclear how this volume will be affected by the economic downturn, reduced cruise ship sailings to Skagway in 2010, and potential changes in passenger spending. While Skagway's total cruise passenger volume is greater than Haines, this market may be more challenging to break into. Long-term relationships between Haines tour operators and cruise lines, coupled with limited transportation capacity and minimal available time in Haines, are key challenges.

### **Independent Visitors**

Independent visitor volume in summer 2006 was approximately 30,000; the vast majority of these visitors travel by highway and ferry. This market has experienced a steady decline in the past decade, and is expected to be reduced by 20 to 25 percent in 2009 due to the national recession. On the positive side, these visitors are very desirable for JKCHC as they average nearly three days in Haines and have flexibility in their travel itineraries. Further, they are likely to be repeat Alaska travelers and may be seeking new experiences.

### **Package Tours**

Visitors that purchase multi-day tours inclusive of transportation, accommodations, and activities are considered "package" travelers. Examples would include group motor coach tours and multi-day adventure tours, such as rafting and biking. The convenience of one-stop shopping and the security of a guided tour are attractive to this market. The volume of package tours passing through the Haines area is not known exactly, but is relatively small compared to the cruise and independent markets. Current volume is estimated at 1,600 to 2,800 visitors. This market, while small, may be somewhat resilient due to the perceived convenience and value.

## Other Markets

There are several additional markets that could provide opportunities for the JKCHC.

### SPECIAL EVENTS PARTICIPANTS

The estimated volume of visitors in this market is relatively small, ranging from 3,500 to 5,000 people. Events like the Kluane to Chilkat International Bike Relay, Southeast Alaska State Fair, and the Bald Eagle Festival offer opportunities for use of JKCHC facilities to host events, meetings, and receptions. Special events also can provide JKCHC with visitors during non-peak visitor months.

### CONFERENCE AND CONVENTION ATTENDEES

Attendance at individual events can vary from 20 to 200 people; the length of stay typically ranges from two to four days. The JKCHC provides an excellent venue for events, meetings, and receptions. Additionally, some groups promote pre- and post-convention tours as well as activities for spouses and guests to do during the convention.

### HAINES RESIDENTS

Haines residents are an excellent source of referrals, are likely to bring visiting friends and relatives, and may participate in educational activities and other special events at the JKCHC. The community population is approximately 2,300.

## Target Market Summary

The potential market size for Haines and the JKCHC is 116,000 to 148,000 people. The estimated market size for 2009 is approximately 125,000 people, based on early season predictions.

### Target Markets Summary

Market	Market Size
Cruise: Haines	30,000 to 50,000
Cruise: Skagway	50,000 to 60,000
Independent	30,000
Other markets	6,000 to 8,000
<b>Total</b>	<b>116,000 to 148,000</b>

## Marketing Strategies

Specific marketing strategies are segmented into short-term strategies (those things that need to commence immediately) and longer-term activities (to be considered in future years as facilities are completed, operations expand, and cash flow permits additional expenditures).

### Short-Term Strategies

The following strategies should commence immediately and continue through the second full year of operations.

#### CRUISE MARKETING STRATEGIES

Managers should invite cruise line representatives to visit the JKCHC site during summer 2009 to showcase the development and get feedback. High quality drawings of site plans should be available to help cruise representatives understand the full development concept. Managers also should prepare a written proposal that provides an overview of the tour, contact information, anticipated completion dates, and pricing.

An expedient way to participate in this market is to partner with existing Haines operators that have operational experience and cruise line contacts. Managers should begin building relationships immediately with current tour operators, with a goal of creating a tour package that is unique and appealing for passengers. (The tour company with existing relationships typically assumes the lead role in cruise line contacts and contractual negotiations.) It will be important to understand the competitive environment in terms of visitor experience, price, and tour duration. As previously noted, Haines tours offered to Skagway cruise passengers are already among the more expensive and longer tours due to the transportation component.

Additionally, cruise representatives are available for tour operator meetings at the annual Alaska Travel Industry Association conference held each fall. Managers are encouraged to make contact and arrange site visits in advance, as the October event is fairly late in the planning cycle for 2010 tour offerings.

It is also possible to sell tours directly to cruise passengers in advance or on the dock. The advantage of this approach is the ability to retain the full retail price. The major disadvantage is that tour sales are typically much smaller with this method, as passengers seek the endorsement and booking ease offered by cruise lines. Further, JKCHC could damage cruise line relationships if tours are sold both onboard a ship and on the dock.

#### COOPERATIVE MARKETING

Cooperative marketing should be the foundation of JKCHC's marketing efforts — particularly through ATIA and HCVB. The programs offer individual businesses much greater marketing reach than any single organization could achieve alone.

The organization should immediately join ATIA to gain access to statewide marketing programs and networking opportunities. Membership is based on peak season employment (including full-time and part-time employees). Annual membership for a marketing partner with 16 to 50 employees is \$516 for the 2010

program year. Marketing partners receive free exposure in the *Official Alaska Travel Web site* (which receives approximately 1 million unique visitors to the site each year).

The JKCHC managers also should become regular participants in HCVB's programs. Staff members will gain valuable insights into the current state of the area's visitor industry and a better understanding of how to best capitalize on free and low-cost opportunities.

It will be important for JKCHC to have a strong market presence in the region (especially in Haines to influence visitors during the critical time period when they are finalizing plans for Haines tours and activities).

## **ADVERTISING**

Managers also should secure a free listing in the 2010 *Haines Vacation Guide* (approximately 35,000 Haines Vacation Guides were produced in 2009) and associated Web site. The brochure is typically produced in the fall; there is ample time to ensure inclusion in the 2010 publication. The guides are distributed via mail to prospective visitors and at key locations throughout the region. Brochure distribution includes the Haines Visitors Center, other Southeast CVBs, on board the AMHS ferries, and the Yukon Territory.

JKCHC should purchase a basic listing ad for the 2011 *Official State Vacation Planner*. (Because this brochure is printed in September, advertising deadlines for the 2010 planner closed in spring 2009.) ATIA marketing partners receive a credit of \$225 towards either a basic listing or a narrative listing in the *Official State Vacation Planner*. ATIA distributes 450,000 vacation planners annually.

A hot link from the ATIA Web site to JKCHC's Web site should be purchased for \$100.

The facility and tours also should be promoted in the *Haines Visitor Guide* published by the Chilkat Valley News. Advertising costs are \$125 per column inch; four column inches are recommended. Approximately 40,000 copies are published annually.

While the short-term strategies anticipate a very modest advertising investment, the JKCHC management team will want to compile information about potential advertising opportunities. Emphasis should be placed on travel information used by independent travelers such as the *Haines Shopping and Restaurant Guide*, *Milepost*, *Alaska Marine Highway Schedule*, *Bell's Alaska Travel Guides*, *Bearfoot Alaska Travel Guides*, and other travel planning resources directed at the highway, ferry, and RV markets. Key information includes quantity, distribution plan, and price. Some publications allow advertisers to insert a coupon into the brochure. This technique can help the attraction stand out from other businesses, but can be expensive.

A contingency fund of \$2,500 is included in the short-term marketing strategies, with the idea that some of this may be used for opportunistic advertising placements. With any advertising effort, JKCHC should track the number of inquiries and the number of actual sales. This information will help the team evaluate the return on investment and refine future marketing strategies.

The management team also may want to explore creative marketing programs with area hotels, car and RV rental companies, and other cultural attractions. Examples include joint advertising placements and discount coupons placed inside rental vehicles.

## **COLLATERAL MATERIALS**

JKCHC will need to develop a rack card (simple 8.5" x 4" brochure that fits in a standard brochure rack). A low-cost approach is the use of color printing only on the front. Rack cards should be distributed in Haines through the Visitors Center, on site at JKCHC, and from any other local businesses that may offer an opportunity for distribution such as retail outlets, campgrounds, hotels, etc. The volume of rack cards needed will depend on intended distribution; approximately 10,000 to 15,000 will be needed if a highway brochure distribution contract is initiated.

It is important to note that a separate brochure may need to be published if the JKCHC is sold onboard cruise ships. If JKCHC operates all components of the tour, then the responsibility for the brochure will fall to JKCHC. No contact information or price detail should appear on this brochure, as all sales are to be routed through the cruise line's tour sales office. If JKCHC is a component of another tour, then the lead tour company will typically assume responsibility for brochure development.

In advance of the season, brochures should be distributed in Haines and the nearby communities of Haines Junction, Whitehorse, and Skagway. This gives JKCHC staff an opportunity to personally interact with staff at visitor centers, lodges, RV parks, gas stations, and other prime locations. Furthermore, JKCHC staff will be current on highway conditions and new tourism developments, and are able to provide a reciprocal brochure distribution service.

The organization can save valuable staff time and money by contracting with a brochure distribution service to reach locations outside of the immediate area. An example of this approach can be seen in the Haines Visitor Center; a large plexi-glass rack contains brochures for approximately 100 businesses. The cost for the service is less than \$600 annually. Between 5,000 and 10,000 brochures per business are typically distributed from these racks. The contractor assumes all responsibility for refilling racks throughout the summer and tracking total usage.

## **WEB SITE**

While JKCHC information is available through the Chilkat Indian Village Web site, the organization should develop a stand-alone site or design the tourism pages so they can be promoted as the Web site entry for prospective visitors. A systematic review of Web sites featuring other Alaskan tour and cultural products should be conducted as soon as possible to better understand market standards for visually appealing and user-friendly Web sites. Web site design and implementation budgets can vary significantly. Advance planning and seeking quotes from experienced designers will result in a stronger, more effective Internet presence.

## **PACKAGE TOUR OPERATOR STRATEGIES**

Managers should immediately begin the process of identifying all tour operators who currently travel through the Haines area. This group includes motor coach companies, adventure tour operators, and other travel companies. Information can be obtained from the HCVB, ATIA, local hotels, online research about Alaska travel packages, the Alaska Marine Highway System, and personal observation.

Once current operators are identified, JKCHC should contact the company management with information about the tour and facilities (similar to the proposal that will be developed for cruise lines). Where possible, extend invitations for site visits as soon as possible.

Familiarization tours (FAMs) are arranged opportunities for tour operators to visit communities and experience local tours and attractions. FAMs are commonly coordinated through local visitor bureaus and may involve multiple tour operators at once. Local companies provide tours and other services at no cost to FAM participants.

The fall ATIA convention provides another opportunity to promote the JKCHC to tour companies. Convention organizers have been planning a one-day session in advance of the conference to help facilitate networking opportunities. All attendees are also given the opportunity to present new tours and destinations through the "60-Second Hot New Product" presentation on the last day of the conference. There is no charge to presenters.

Managers also will want to follow up with appropriate marketing leads generated from national marketing forums including the American Bus Association, National Tour Association, and the U.S. Travel Association of America. Sales representatives from ATIA, other destination marketing organizations, and private companies attend these events. (Because of the small package tour market size in the Haines area, and high cost of participation in these forums, JKCHC is encouraged to respond to leads rather than attend these events.)

## **PUBLIC RELATIONS**

A news story or feature in a newspaper or magazine is valuable marketing exposure. Working with the HCVB will be the best way for JKCHC to identify public relations opportunities. Managers are cautioned that there can be a high level of competition to host travel writers, and the HCVB needs to showcase many community businesses. The JKCHC will have an advantage in the early years of operation, however, as many writers and photographers want to feature new products and services.

Travel guides such as the *Milepost*, *Bell's Alaska Travel Guide*, and *Bearfoot Alaska Travel Guides* are for-profit publications that sell advertising space alongside travel planning information, commentary, and recommendations. Some publications are distributed free of charge to visitors, while others are purchased. Managers should contact each of the major travel guide publishers as soon as possible to request advertising rates and publication cycles and to inform the publishers about JKCHC. While the travel guide publishers want to sell advertising space, they also are interested in providing up-to-date information for their readers and may include a description of JKCHC in their narrative at no cost.

## **PHOTOGRAPHY/IMAGES**

In preparation for collateral, Web site development, and public relations, JKCHC should begin building a library of high-quality digital photos. While some nonprofessional photography can be used, it is recommended that JKCHC enlist the services of a professional photographer to capture high-quality images such as wildlife, mountains, rivers, salmon, Klukwan residents, Native culture, and JKCHC facilities. Photo documentation should take place as each project phase is complete.

The use of architectural renderings in the interim can build awareness of JKCHC products and services, but is not recommended for the brochures or Web site. Digitized historic photos of the Klukwan area and people will also provide a rich source of images. Digitized maps of the area and the site may also be appealing.

### **LOCAL RESIDENT AWARENESS**

The management team will want to keep local residents fully informed at all stages of site and tour development. Local residents are an important source of word-of-mouth advertising and can be influential in encouraging visitors to experience JKCHC's products and services. Additionally, residents have a high level of influence with visiting friends and relatives, another small but important visitor market. Each spring, JKCHC should offer a "Community Appreciation Day," when area residents can visit the site and participate in tours and other products at no or low cost. The cost to coordinate and promote local promotions should be considered a marketing expense and budgeted as such.

### **HIGHWAY SIGNAGE**

Signage along an Alaskan state highway is handled by the Alaska Department of Transportation and Public Facilities. In 1998 a statewide vote passed that no billboards are allowed along Alaskan highways. There are, however, two types of official signs available.

The first sign type is the Tourist-Oriented Directional Signs (TODS). These signs give specific directional information to activities or sites of interest. They are the rectangular blue and white signs that alert travelers of anything from bed and breakfasts to cultural attractions. Each sign is 90 by 18 inches, which can include a symbol "indicating a general activity or business, a directional arrow, distance to the facility, and up to two lines of legend." There is a list of standard icons, but if one does not exist, the department will help design one. To qualify for a TODS, "applicant activity must derive at least 25 percent of its gross receipts from motorists who reside more than 20 miles from the location of the activity." There is a maximum of six signs per location. The sign must be posted within 1,250 feet of the intersecting road.

The second sign type is the Recreational/Cultural Interest Area Signs (RCIA). These signs point out areas of significant recreational opportunities or cultural interest. These signs are the brown and white rectangular signs for national parks, state parks, and sites listed on the National Register of Historic Places, along with museums and historic sites. The qualifications for a RCIA are "the site must be accessible by a maintained road, attract an average of at least 100 per day during at least four consecutive months, and be widely noted for its recreational or cultural significance."

For both signs, the application process is online. There is a fee for the signs, including a nonrefundable application fee. A permit will be issued for four to five years, after which time it must be renewed and another fee will be charged.

### ***Scenic Byways***

There are many benefits of the Haines Highway being listed as an Alaskan Scenic Byway. A key benefit is the increased tourism and its added economic opportunities to communities along the designated route. In addition, the byway is promoted through maps and other literature by the state and national programs, which can increase visitation.

Other benefits include increased pride and cooperation among communities along the byway; educational and interpretive opportunities for residents and visitors alike about the history, nature and culture of an area; improved eligibility for federal grant funds for developing and implementing corridor management, marketing and interpretive plans; national and international marketing conducted by the National Scenic Byway program for nationally designated byways; and access to resources and expert assistance in managing and marketing the highway corridor for byway volunteers and organizations.

Businesses and marketing officials should work together to pursue marketing and infrastructure development opportunities available through the program.

## **Longer-term Strategies**

The following strategies are anticipated to commence in project years three through five, as larger marketing budgets and internal staff resources are developed. Management should continue to engage in the previously discussed activities.

### **PROFESSIONAL PUBLIC RELATIONS SUPPORT**

A well-coordinated, professional public relations program can significantly increase awareness among potential visitors and travel industry colleagues. Ideally, JKCHC would begin a PR program as soon as possible to capitalize on its new entrance into the tourism industry. This should be considered a priority item if marketing resources allow investment in this strategy in the near-term.

### **ADVERTISING PROGRAM**

As part of the short-term strategies, the JKCHC team should be compiling information about potential advertising placements in terms of quantity, distribution program, and cost. This is also a valuable time to ask actual visitors what information they used when planning their trip and making travel purchase decisions. It is also valuable to examine where the HCVB and other area businesses advertise, as these programs have been refined through trial and error. Additionally, helping to increase Haines and Chilkat Valley advertising presence in key publications will be mutually beneficial for all participants.

The longer-term strategies budget includes \$8,000 in additional advertising placements. This amount can be expended quite rapidly — either by expanding the size of existing placements or by purchasing ads in widely used publications. For example, design costs and advertising placement for the smallest display ad in the *State Vacation Planner* will cost approximately \$2,000.

### **CRUISE LINE SALES AND PACKAGE TOUR OPERATOR SALES**

The JKCHC management team may find it valuable to meet with key cruise line and tour operator contacts in subsequent years of operation. Alaska tour operators often make annual trips to cruise line headquarters in Seattle and Miami to demonstrate appreciation for existing business or to negotiate directly with program managers. Alternatively, these funds may be more appropriately directed to sales activities with package tour companies. Final decisions about the need for this travel will depend on cruise line and tour operator reaction in the initial operating years, as well as market intelligence and opportunities identified early in the project development phase.

Alternative usage of these funds may include hosting a cruise line staff appreciation event at the JKCHC, end-of-the-season appreciation gifts for onboard shore excursion managers, or participation in a tour operator forum (such as the National Tour Association or American Bus Association). If the latter option were pursued, it would be optimal for JKCHC staff to collaborate with ATIA or other destination marketing organizations to defray costs and facilitate operator relationships.

#### **EXPANDED INTERNET PROGRAM**

As the operation evolves, JKCHC staff should invest in the Web site. Increased exposure can be gained through advertising and links. The Web site may be expanded to incorporate itinerary suggestions, interactive features (sounds, cameras, and 360 views), and visitor testimonials. These features help attract visitors to the Web site and increase their interest in the attraction. The Internet also may be used as a secondary location for retail sales.

## **Marketing Partners and Key Contacts**

### **Trade Organizations and Partners**

#### **ALASKA MARINE HIGHWAY SYSTEM**

Danielle Adkins, Marketing Manager  
7559 N. Tongass  
Ketchikan, AK 99901  
(907) 228-6836  
danielle.adkins@alaska.gov

#### **ALASKA TRAVEL INDUSTRY ASSOCIATION**

Kathy Dunn, Director of Marketing  
2600 Cordova Street Suite 201  
Anchorage, AK 99503  
(907) 646-3305  
Kathy@alaskatia.org

#### **HAINES CONVENTION AND VISITORS BUREAU**

Lori Stepansky, Executive Director  
Box 530  
Haines, AK 99827  
(907) 766-2234  
hcvb@haines.ak.us

#### **NORTHERN BROCHURE DISTRIBUTORS COOPERATIVE**

L. Alan LeMaster  
P. O. Box 222  
Gakona, AK 99586  
(907) 822-3664  
gakona@gakonaak.net

**SKAGWAY CONVENTION AND VISITORS BUREAU**

Buckwheat Donahue, Executive Director  
P.O. Box 1029  
Skagway, AK 99840  
(907) 983-2854  
infoskag@aptalaska.net

**SOUTHEAST ALASKA TOURISM COUNCIL**

Patti Mackey, Board President  
131 Front Street  
Ketchikan, AK 99901  
Phone: (907) 225-6166  
pmackey@visit-ketchikan.com

**STATE OF ALASKA, DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT**

Caryl McConkie, Tourism and Film Development Manager  
P.O. Box 110800  
Juneau, Alaska 99811-0800  
(907) 465-5478  
caryl.mcconkie@alaska.gov

**STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES**

Rob Murphy, Chief Right-of-Way Agent  
3132 Channel Drive  
PO Box 112500  
Juneau, AK 99811-2500  
(907) 465-4541  
rob.murphy@alaska.gov

**TIA YUKON**

Rod Taylor, Board Chair  
#3 – 1109 First Avenue  
Whitehorse, Yukon, Canada Y1A 5G4  
867-668-2255  
info@uncommonyukon.com

**YUKON TOURISM**

Pierre Germain, Director  
P.O. Box 2703  
Whitehorse, Yukon, Canada, Y1A 2C6  
(867) 667-3087  
pierre.germain@gov.yk.ca

**YUKON FIRST NATIONS TOURISM ASSOCIATION**

Meta Williams, Executive Director  
#1 1109 First Avenue  
Whitehorse, Yukon, Canada Y1A G4  
(867) 667-7698  
ed@yfnta.org

## **Cruise Line Representatives**

### **ALASKA SIGHTSEEING/CRUISE WEST**

Larry Johansen, Director Southeast Regional Manager  
76 Egan Drive, Suite 320  
Juneau, Alaska 99801  
(907) 586-6300  
larryj@cruisewest.com

### **CARNIVAL**

Amilcar "Mico" Cascais, Manager Tour Operations  
Carnival Place  
3655 NW 87 Avenue  
Miami, Florida 33178-2428  
(305) 599-2600  
acascais@carnival.com

### **HOLLAND AMERICA-PRINCESS LAND OPERATIONS**

Steve Funk, Skagway Division Manager  
Box 536  
Skagway, Alaska 99840  
(907) 983-3100  
sfunk@hollandamerica-princess.com

### **HOLLAND AMERICA LINE, INC.**

Ellen Lynch, Director of Shore Excursions  
300 Elliot Avenue West  
Seattle, Washington 98119  
(206) 262-5809  
elynch@hollandamerica.com

### **HOLLAND AMERICA-PRINCESS LAND OPERATIONS**

Linda Huston, Regional Manager Land Excursions /Yukon  
300 Elliot Avenue West  
Seattle, Washington 98119  
(206) 286-3462  
lhuston@hollandamerica-princess.com

### **NORWEGIAN CRUISE LINE**

Shannon McKee, Alaska Product Manager  
Alina Juliachs, Product Development Specialist: Alaska, Eastern & Southern Caribbean  
7665 Corporate Center Drive  
Miami, Florida 33126  
(305) 436-4277  
ajuliachs@ncl.com

### **S. KIRBY DAY, III, DIRECTOR OF OPERATIONS, SOUTHEAST ALASKA**

Director of Shore Operations, Pacific NW and Alaska  
704 S. Franklin St.

Juneau, Alaska 99801  
(907) 463-3900  
kday@princesscruises.com

**REGENT SEVEN SEAS CRUISE LINE**

Sylviane de Tracy, Senior Manager, Product Development—Research & Development  
Prestige Cruise Holdings  
1000 Corporate Drive, Suite 500  
Ft. Lauderdale, Florida 33334  
(954) 940-7381  
SdeTracy@Radisson.com

**ROYAL CARIBBEAN INTERNATIONAL/CELEBRITY CRUISES**

Leesa Burzynski, Shore Excursions & Explorations Manager  
1050 Caribbean Way  
Miami, Florida 33132  
(305) 539-6892  
LBurzynski@rccl.com

# Implementation Plan

---

## Preparation

The Tourism Management portion of this plan requires minimal immediate action and very little cost. Copies of the *Juneau Tourism Best Management Practices* were distributed at the Stakeholder Meeting and additional copies can be found online on the City and Borough of Juneau Web site. Review of this comprehensive communitywide plan can help JKCHC management feel confident in the implementation and ongoing refinement of the tasks outlined for Klukwan and the JKCHC.

In contrast, many of the marketing tactics are urgent, if JKCHC management wants to secure contracts with tour companies and cruise lines for 2010. It is possible to focus on the independent market for 2010, targeting 2011 for cruise and package tour utilization. While this approach allows more time for facility construction, growth of internal operating experience, and key relationship development, it will reduce visitation and associated revenue in the interim.

It is also important to review the JKCHC Business Plan in light of the market data presented in this plan and other current market research. The Haines visitor market has decreased considerably since the 1990s, when nearly 200,000 cruise passengers called in the community and highway/ferry traffic was at its peak. (The Business Plan also appears to include Haines resident traffic in the highway and ferry travel estimates, which inflate the total market projections.) It would be valuable to compare the projected 10 percent capture rate and average visitor expenditures with other market data to ensure realistic revenue projections.

The Tourism Management Plan anticipates that JKCHC can invest time and money in advance of facility completion. Financial resources for start-up and initial operations need to be identified. Aside from construction-related expenses, there will be a significant financial outlay in advance of the season for fixtures and furniture, retail inventory, food/beverage inventory, recruitment, and training.

This particular plan was devised to address two major concerns: mitigation of impacts on Klukwan residents and property, and identification of effective marketing strategies for the development. The plan is one component of a series of plans that need to be developed for the facility. Commonly developed planning tools include the following:

- **Business Plan:** This plan outlines key assumptions about market potential, revenue, staffing and operating costs, project timeline, and strategic recommendations. The primary audience for this document includes top management and investors.
- **Marketing Plan:** This plan will evolve based on JKCHC's experiences with the tactics recommended in this document. Important aspects that should be added to the plan include tracking of visitor inquiries (document where visitors heard about the tour or attraction) and return on investment (marketing component costs divided by the number of inquiries and sales). The primary audience for this document includes the Marketing Manager, other management team members, and marketing contractors.

- **Operations Plan:** This document provides an outline of the major components and flow of a tour, roles and responsibilities of departments and staff members, and an outline of basic procedures. Managers and supervisors are the primary audience of this plan; JKCHC, however, may find it valuable if all employees are familiar with the big picture and the plan.
- **Emergency Response Plan:** This plan anticipates emergencies, accidents, and incidents. The plan should identify responsible parties, contact information for key staff members, contact information for marketing and operational partners, appropriate forms for documentation of events, and JKCHC response. This plan needs to be developed for implementation by all employees, with particular emphasis on responsibilities of managers and supervisors.
- **Human Resources Plan:** This plan outlines the plans for recruitment and retention of employees. Position descriptions, compensation ranges, and protocols for responding to employee grievances may be outlined in this document. The audience for this plan will include the Human Resources Manager and other top management.
- **Personnel Policies:** These policies should provide clear information to all employees about expectations regarding JKCHC philosophy, organizational structure, compensation and benefits, and assurances of fair and equitable treatment. This plan should direct employees to the appropriate procedures and personnel for any concerns or grievances.

Tools and expertise needed at this time include organizational skills, communications skills, and marketing and sales experience. It would be ideal if one or more members of the core management team had existing tourism experience and contacts with key tourism industry officials, such as local tour company owners and managers, cruise line representatives, and destination marketing officials.

## Budget

The expenses identified below are additional costs outside of staffing or office rent. Typical marketing budgets for an attraction like JKCHC are commonly 2 to 10 percent of operating expenses.

### Annual Marketing and Management Expenses Short-term Strategies

Expenses	Amount
<b>Memberships and Dues</b>	
Alaska Travel Industry Association	\$520
Travel Industry Association Yukon	500
<b>Photography and Images</b>	
Purchase and duplicate images	1,000
Professional image shoot	1,000
<b>Collateral</b>	
Rack card design and printing	2,500
Web design in initial year	2,500
Best Management Practices (forms, certificates, etc.)	500
Highway brochure distribution contract	600
Brochure display racks	500
<b>Advertising and Signage</b>	
ATIA narrative listing (design and listing after credit applied)	500
ATIA internet link to JKCHC Web site	100
Haines Visitor Guide display ad (Chilkat Valley News)	500
Haines Vacation Guide listing (Borough sponsored)	0
Chilkat Valley Weekly advertising of TBMP participants	1,500
Highway signage through Alaska DOTPF	1,000
Directional and safety signage	10,000
<b>Travel and Entertainment</b>	
ATIA conference for two attendees	2,000
TIA Yukon conference for two attendees	1,200
Hosting costs for cruise lines, media ,and tour operators	1,000
Haines community day	1,200
Best Management community meetings	200
<b>Miscellaneous</b>	
Office: postage, phone, letterhead	1,800
Contingency	2,500
<b>Total</b>	<b>\$33,120</b>

An additional \$24,000 in marketing expenses is anticipated as the attraction is fully developed and JKCHC has the financial ability to increase its marketing investment. As noted in the marketing recommendations

section, it would be ideal if the professional public relations component could be funded earlier in the project development phase. Even in this second phase, the advertising investment remains quite modest.

**Additional Annual Marketing and Management Expenses  
Longer-term Strategies**

Expenses	Amount
Core program expenses (identified above)	\$33,120
Advertising	8,000
Cruise line and package tour operator sales	2,000
Expanded Internet presence	4,000
Professional public relations support	10,000
<b>Total</b>	<b>\$57,120</b>

**Implementing the Plan**

**Roles and Responsibilities**

While Klukwan residents commonly serve in multiple roles (such as JKCHC employee and Tribal Council member), there needs to be an understanding of how each organization can best guide and support JKCHC operations. The following roles are intended to be complementary and respond to current needs; roles will likely change as JKCHC evolves from the construction phase, through the start-up phase, and into a mature business operation.

**CHILKAT INDIAN VILLAGE**

- The Chilkat Indian Village has been a driving force in the project planning, solicitation of grants, and construction phases. As the project management team assumes greater responsibility for daily activities, the role of the tribe will likely transition into helping tribal and community members achieve personal and financial success.
- The tribe can serve an important advisory role in defining and guiding the degree of cultural interpretation and exchange that will happen with JKCHC visitors.
- The tribe is likely to be involved in helping set the policies and procedures for the storage of artifacts and clan property in JKCHC facilities.
- The tribe can have a valuable role in helping Klukwan residents enhance their employment skills.
  - The tourism development will need front-line employees with strong customer service skills, cultural interpreters and tour guides, and people with mechanical and technical skills.
  - To ensure that management and supervisory skills are continually developed internally, the tribe may also want to offer skills training in these areas.
  - The tribe also can help local artists achieve success by offering training in product development, pricing, and marketing.

- Traditional knowledge camps and Tlingit language camps will serve dual goals of helping the village preserve the culture and build skills and confidence in JKCHC employees.
- The tribe is a unique entity and is capable of accessing grant funds and resolving issues on a government-to-government basis. As the facility continues to develop, the tribe will likely remain an important resource for identifying and pursuing capital and operating grants and other resources.

## **TRIBAL COUNCIL**

- The Tribal Council has overall responsibility for ensuring that the JKCHC meets the original goals of preserving, protecting, and perpetuating the cultural heritage of Klukwan residents.
- The Tribal Council will help ensure the protection of the community, residents, and the surrounding area.
- The Tribal Council should serve as an important avenue for community residents to express their goals, ideas, and concerns about the JKCHC. In turn, the Council leadership should share this feedback with JKCHC board and management team on a regular basis.
- The Tribal Council should refrain from becoming involved in day-to-day operational or personnel issues. When concerns arise, the Tribal Council can help reinforce the organizational structure and procedures of JKCHC.
- The Tribal Council will set and reinforce community-level policy decisions, such as the desire to direct visitor traffic and businesses to the JKCHC site, rather than in the village. The Tribal Council should gauge changes in resident support for allowing small business opportunities within the village, such as home-based sales of crafts and food.
- The Tribal Council should take a lead role in soliciting community input as the TBMP program is refined.

## **JKCHC MANAGEMENT**

- This team of senior managers has day-to-day responsibility for the site and operations including the financial health of the organization, safety of employees and visitors, quality of the experience, and protection of physical and intangible property.
- The management team is responsible for ensuring that JKCHC complies with applicable state and federal laws regarding public health and safety, transportation, employment and labor laws, and environmental protection.
- The management team is responsible for developing, implementing, and refining plans and policies including the operations plan, TBMP plan, marketing plan, etc.
- The management team is also responsible for development of strategic relationships with businesses and organizations that have a solid reputation, a desire to help JKCHC succeed, and a history of sound business practices and ethical behavior.

## **JKCHC BOARD OF DIRECTORS**

- The board has fiduciary responsibility for the organization.
- The board maintains responsibility for policy decisions that affect employees and operational procedures at the JKCHC.
- The board has responsibility for hiring, evaluating, and terminating the most senior level manager at the JKCHC. (Depending on the organizational structure, this may be the President and CEO, Executive Director, or Chief Operating Officer.)
- The board is also responsible for approval of management and operating plans developed by the JKCHC management team.

The appendix includes a summary of the community stakeholder meeting held in Klukwan and a summary of relevant comments from the case study research and interviews conducted for the project.

## Community Stakeholder Meeting

The two-day planning meeting was held April 30 and May 1 in Klukwan. At the time, the groundbreaking for the Hospitality House was about 10 days away, fundraising for the Heritage Center was still in progress, and the trail system was in the design phase, with construction targeted for 2010.

### Meeting Goals

- Keep visitors at the attraction while maintaining hospitable atmosphere.
- Identify organizational structure/duties.
- Absorb information/take everything in/learn.
- Identify sources for remaining construction funds and operating capital.
- Refine business plan/develop sustainability.
- Develop phased pricing as project evolves.
- Develop appropriate training and management practices.
- Maintain authenticity and quality.
- Don't become too commercial or sell ourselves short.

### Development Guidelines

#### ECONOMIC

- Envision local carvers and weavers providing demonstrations. Interaction and learning by doing.
- High-end cultural exchange, attracting people with a high level of interest.
- Is the vision of high-end too limiting?
- Multiple layers to the development: Traditional Knowledge Camp, Hospitality House, Heritage Center. Tourism is only one piece.
- Start slowly. Develop product so that full operations are in place by 2012.
- Employment is projected at 35 part-time and 12 full-time.

- Maintain professionalism. Need to anticipate having relief staff trained and ready. Need to have high expectations of customer service and quality in every staff member.
- Avoid becoming too sterile or too canned in presentation. Need to be neat and clean and have freedom to personalize information.
- Add value with personal interaction.
- Package multiple components: Fishing demonstration might include net mending, net setting, and traditional methods of smoking and drying fish.
- Showcase our authentic ways of living today using traditional ways. Showcase our living culture: clan property rather than artifacts.
- Core element of the project is achieving economic success through wellness and education.
- How much contact time will we have with people? What cost will there be to us to provide the experience we envision?
- We can accommodate small groups for overnight or day tours. Lockers and bunks will be available. Up to 40 people can be accommodated for the basic tour.
- Sell calendars, postcards, photos, CDs.

#### **SUBSISTENCE**

- Demonstrations of traditional baked salmon at the fire circle.
- Show how the baskets are used for traditional foods.
- Involve kids in the fishing demonstrations.
- Show how berries, wild celery and other plants are gathered and used. Create small business opportunities for jams and other products.
- Record sounds of the river and eagles so everyone can hear them.
- Buy commercial fish so visitors can try a sample.
- Sportfishing not encouraged. Already a concern among highway visitors and Canadians.
- State Park developing a launch ramp at Wells Bridge, which will increase competition for fish.

#### **SOCIAL/ENVIRONMENTAL**

- Concerns for safety of the children. Living in the village, they are not as aware of boundaries.
- Do not want visitors to leave trash everywhere. Need receptacles.

- Green business practices: no Styrofoam, reduced packaging, etc. This development can be the prototype of the waste management plan for the village. Think ahead when purchasing. What is the waste flow? Can it be recycled or composted?
- Traffic concerns — highway access and at site. Need more asphalt, signage.
- Concerned about people attracting bears by leaving food out.
- Health and safety concerns for food samples and products sold in retail.

## **CULTURAL/SOCIAL**

- Youth are the key. We want to provide an opportunity for them to become productive, learn skills and gain confidence.
- It is critical that we maintain our character and culture.
- We need to balance delivery of the experience with traditional response to a death or major event. Need relief crews that can step into positions yet maintain authenticity.
- Our quality of life is very high, yet some tourists will make comments that are very offensive about our lifestyle and subsistence practices.
- Our kids are continually absorbing and learning from us. We want to be able to come back to the village with modern skills and traditional values.
- We have traditional dancers, but not a performance group. Since visitors can experience that other places, probably not something we have to offer.

## **Comments: Case Study Examples**

- Photo policies not certain. Have professional quality photos for sale. Charge for photos (flat fee or per photo) or have donation box. Create different system for professional photographers.
- Interested in retail price ranges for Icy Strait Point.
- Cruise passengers are more like you and I. Much more middle-income people with hard-earned money.
- Need to create opportunities for local people to see high-end and lower-end retail products. Create replicas, which take much less time but still have hand-crafted quality.
- Why did NANA's tour decline in Kotzebue? Quality declined. Didn't pay attention to customer feedback. Distribution system changed (airline packages).
- Need a commitment from employees. Don't tell information the same way every time. Appreciate the guests and be yourself. Engage them through a question and answer period. Engage visitors through interaction. Support co-workers.

- By allowing visitors to ask questions, you learn what content is most interesting. Puts the responsibility on them and helps you.
- Dawson City provides a superior tourism experience. Well delivered, better than Skagway, and interaction excellent in small group walks. The new cultural center is also excellent.
- Angoon. What stumbling blocks for their museum?
- What synergies do we have with other businesses?
- What activities can be packaged to complement our museum?
- How do we add to the appeal of the Chilkat Valley overall? We add culture to a destination with a lot of scenic beauty, the fort and outdoor adventure.
- What mutual needs do we have with our partners? What are our most strategic alliances?
- Want to avoid the experience of Chilkat Cruises, where prices were constrained. Now, the same operators are paying more to Four Seasons Marine.
- We need to think carefully about time management on the site. Visitors need free time for the retail area, food service and themselves.
- We need to pay attention to what Haines and Skagway do with their infrastructure. Changes to the docks affect our potential markets. Also, our political positions can affect our markets.

## **Comments: Markets**

### **CRUISE**

- How important is cruise to our success?
- They can be fickle — weather affects their behavior.
- How does the system work for being sold on cruise ships?

### **SMALL SHIPS**

- Looking for a different experience.
- Personalized experience valued.

### **MOTOR COACH**

- Very small market now.
- Border issues and ferry affects market volume and timing.

### **INDEPENDENT TRAVELERS**

- Signage important.

- Need more marketing efforts to attract them.
- Need to separate village Web site from tourism information.

#### **FALL/WINTER VISITORS**

- We are well-positioned for this market due to our access to the river, trails, and Bald Eagle Preserve. We can attract eagle watchers who want a hot meal/beverage, chance to warm up and experience the Cultural Center.
- We are participating in the Bald Eagle Festival.
- We might be able to attract heli-skiers on bad weather days. Small market.

#### **RESIDENTS/MEETINGS AND CONFERENCES**

- Need to reach residents in the Yukon, Skagway, Haines, and Juneau. Example of ISP “Juneau Days” discussed.
- Hospitality House can accommodate small meetings.

#### **Comments: Best Management Practices**

- Liability an issue. Need to have safety briefings, waivers and insurance coverage.
- Develop an emergency response plan (see DCCED training).
- Need bear awareness and safety. Also moose are unpredictable.
- Want containment of vehicles and pedestrians at the site.
- Concerns about noise and dust.
- Traffic can’t block village access.
- Don’t want tourists wandering alone. Guided tours only.
- Need river safety. Fast, cold and glacier silt. We don’t want tourists to throw rocks in the river—fish issues.
- Graveyard. Need to make sure it is respected and not trampled.
- How can we control trail access—especially if we are linked with highway/State Parks trails?
- No running. Too much chance of tripping and falling. Plus, bear issues.
- Tobacco free area — both for health and litter.
- Need to control rubbish so we don’t attract bears and become unsightly.
- Leave no trace behind.

- Kid safety important.
- Need a way for people to contact the office if no one is at the site (low volume times).
- No guided walks or driving through the village.
- Need an Incident Report Form. Communicate any issues with partners: cruise lines, tour companies and other parties. (Similar to the Unusual Event Form at SEARHC.)
- Also provide open access to comment forms.

## **Closing Comments**

- We need a roadmap on our critical path. What is the timing and priority for things right now?
- Need to have the marketing pieces in place now. Some key contacts and publications this summer.
- Want to be sure that USFS interpreters on the ferries know about us.
- This was very eye opening. Want to understand all the details so we can support our staff.
- Need the Business Plan to reflect the interrelated components and revenues.
- Planned phasing is on track. We have accomplished a lot to date.
- The management team needs to begin taking on administrative tasks: hiring, training, management policies, personnel policies.
- Need to attend ATIA this October in Fairbanks. Networking and educational information.

## **Management and Training Notes**

- Signs before clinic: No Services, Please Respect Our Privacy.
- Community members need to help maintain appearance of area.
- Obtain DCCED CD on working with cruise lines.
- Find out more about Yakutat and cruise ships.

## Case Studies

The project team prepared case studies that describe communities and visitor industry operations that have managed to strike a balance between development and respect for the community and culture. There were six operations including Klukshu Native Village, Icy Straight Point, Tour Arctic, Sitka Tribal Tours, Goldbelt Corporation, and Ahtna Development Corporation. Additionally, a review of the Juneau-based Tourism Best Management Practices (TBMP) program was included. TBMP has been very successful in identifying and addressing community concerns related to visitor industry impacts, and there are elements of the program that are applicable to the development of the JKCHC and its interactions with the community of Klukwan.

The case studies provide information on successful ideas and actions and, in some instances, results that were less successful and can be viewed as lessons learned. Some actions resulted from detailed advanced planning while others were more reactive. After presentation of the case studies, there is a summary of key considerations and recommendations to facilitate development of JKCHC.

In addition to identifying key elements for engaging community residents and managing the impacts of visitors, the case studies are rich in practical planning, budgeting, marketing and operational considerations.

### **Klukshu Native Village, Yukon Territory, Canada**

#### **OVERVIEW**

Klukshu is a historic First Nations settlement with a population ranging from 30 to 100 people and located one-half mile off the Haines Highway 108.1 miles north of Haines and 38.1 miles south of Haines Junction. Access from the highway is by gravel road. The area and vehicle access is controlled by the village. The community is along the Klukshu River, and has been an important fishing camp for the Southern Tutchone as well as Tlingit people from Alaska. The camp is used mainly in the summer and the fall for harvesting steelhead, king, sockeye, and coho salmon, with fish cached there in the winter months. It consists of approximately a dozen residential log cabins, a family-owned museum, a storytelling house, and a small store.

The focal point of the site is the river, which provides food for the community, but also contributes to a strong sense of culture and history. There is a small fish cleaning station and in-stream fish traps (when runs are occurring), as well as fish-drying houses and a replica fish storage cache at the river's edge. There are several high-quality interpretive signs near the river that explain the history of site and the cultural importance of salmon. The signs include traditional stories that reinforce the significance of the site. The placement and information is particularly useful for self-guided visitors.

Visitors can explore a small museum with interpretive displays that explain First Nation heritage and the fishing techniques using traditional fish traps. The museum's First Nation artifacts include trading blankets, sheep horn potlatch spoons, and traditional fish traps. The craft shop sells beaded slippers and souvenirs, birch bark baskets, homemade jellies and jams, and local smoked salmon.

Tourists are not contained in any way, and there are no signs directing people around the village. The museum and storytelling house are in the middle of the village near the river and the fish traps. Private

vehicles are drawn to this area upon arrival, and are unlikely to drive around the rest of the community. The entire village can be viewed from this point, removing the temptation for curious visitors to drive around the more residential areas of the village.

## **PROJECT DEVELOPMENT EXPERIENCES**

Visitors have been stopping in Klukshu since the Haines Highway was built in 1943. Like Klukwan, the community is accessible by private vehicle and motor coach, making it difficult to control access. Inappropriate photography was an issue for the community. Villagers disliked people “pouring off the coaches and taking pictures of us in our homes.” Villagers also were concerned about being photographed while engaging in activities unique to the community, such as working the fish trap. They were much more accepting if visitors asked permission to take photographs.

Coaches coming in at that time were not associated with the village, though they did need village permission and a license to operate.

At some point in the past decade, the community decided that a more formal tour with more control from residents was needed. Now village residents run the majority of the tours entering the area. The tour guides are usually local teenagers and young adults who watch for arriving coaches and personal vehicles. Normally, one guide per day is on duty, but if a coach is scheduled to come in with lots of visitors, several guides may be there to assist. Tours are only run when there are guides available. Community members generally try and share the responsibility of greeting all vehicles that arrive in the village, whether they are on a planned tour or not. At times when tour guides are not available, tours are greeted immediately upon entering with an explanation that “this is a community with people living here, please be respectful of that.” There is also a bell on the front of the museum with a sign that says “Open, please ring bell.” The bell can be heard throughout the community and will usually result in a resident arriving to assist the visitor. Since the community has taken more control of tours and attempting to intercept all arrivals, photography-related complaints have greatly diminished.

Village elders provide tour guides with informal training. There is no ongoing supervision of the tour guides nor evaluation process to assess their work. No training is provided for villagers on appropriate ways to respond if a negative situation develops (such as how to deal with people encroaching on their property or taking photos at an inappropriate time). Village representatives, however, could not remember an occasion when there was an incident between a villager and a visitor. Likely, disgruntled residents do not express their displeasure directly to the visitor. This could result in pent-up frustrations and unresolved ill feelings towards visitors. Resident complaints and ideas are discussed with villagers in the area at the time, and steps are taken if needed, but it is a very informal process.

The number of coaches visiting the village has declined in the last few years. The exact reason is unclear. Concurrently, over the last few years, salmon runs have declined significantly and closures to protect runs have been instituted. Low salmon runs (and less viewing opportunities for visitors) may have resulted in less enthusiasm from local tour operators. Tourism, however, is not a critical component of village life because the community is not financially dependent on visitors. Dwindling visitor volume over the past several years does not seem to be a major concern for villagers. They mentioned signage announcing special events, such as tanning hides, fish cleaning or other specific activities, might entice more highway travelers to visit.

## **Icy Strait Point, Hoonah, Alaska**

### **OVERVIEW**

Huna Tlingit have lived in the area around present-day Hoonah for centuries. In 1880, the Northwest Trading Company built the first store in Hoonah. The Hoonah Packing Company was opened at Point Sophia, approximately one mile north of Hoonah, in 1912.

Huna Totem Corporation purchased the land in 1996 with the goal of developing a private cruise ship destination at the site of the old cannery. Development of Icy Straight Point (ISP) began in 2001 and the facility opened in 2004. The site caters almost entirely to cruise visitors. Built on the site of a historic cannery, the Icy Strait Point Museum includes interpretive and interactive displays about its days as a cannery, as well as working historic canning machinery. ISP offers nearly 20 tours including wildlife viewing (brown bears and whales are the main focus), adventure activities such as biking, kayaking, zipline and fishing, and live cultural-themed performances. There are four food service venues and 13 retail shops, mostly owned and operated by locals and other Alaskans.

### **PROJECT DEVELOPMENT EXPERIENCES**

As a commercial venture showcasing Native culture, ISP was sensitive to clan ownership of stories and artifacts. A cultural committee was developed that included Huna Totem, Hoonah Heritage Foundation, and Hoonah Indian Association. Huna Totem paid for a consultant to assist with the development of cultural protocols. They obtained approval from clan leaders for usage of stories. This was somewhat tricky, however, as oral histories have inherent variations. In the end, ISP chose to use stories that were already known by the general public.

Privacy was one of the issues Hoonah residents were assured of during the development stage, and it was thought the one-mile separation would prevent the visitors from being intrusive on the village. Once the first ship arrived in Hoonah, however, many residents saw economic opportunities and wanted to participate in their own way. Eventually, residents wanted to encourage more people to walk around town and into local businesses.

Initially ISP created an artists' market, but there were difficulties related to maintaining enough inventory at lower price points. Artists tended to want to produce high-end items that were time-consuming to make and were therefore limited and expensive. Inventory management and pricing for any retail business is complex. ISP is a high-volume visitor destination, and there is a need for more retail products that sell in the \$10 to \$50 range than at price points of \$250 or greater. Hand-crafted Native art, such as masks, paddles, bracelets, and basketry require the accumulation of many years of skill and take many hours to complete. An experienced artist should expect to command higher prices for these quality works of art. The market for fine Native art, however, is relatively small. Like all fine art, even when there is a great desire to acquire a certain piece, budget constraints may lead the buyer to purchase a less expensive item. Visitors can feel a strong connection to the culture and feel strongly about taking something home that symbolizes their experience. Retail locations must carry an appropriate mix of high-, medium- and lower-cost items. Local artists can capitalize on this need by creating top quality art and having reproductions made. Reproductions work particularly well with jewelry such as earrings and bracelets. Original Native designs transfer well to t-shirts, hats, coffee cups

and many other items. Once the original art has been created and a system in place for reproducing the work, the artist can focus on more time-consuming, original art to supply that more limited market. As with storytelling, artists should use care in the selection of designs based on ownership and cultural protocols.

Another venture was with the Hoonah Indian Association, which operated the theater program. It was thought it would attract large numbers because of the cultural interpretation and the price. Instead, it attracted a smaller segment of passengers, such as educators that were very interested in the information. It found greater success by offering the theater in combination with sightseeing tours, and in response, sales picked up.

ISP has learned that the best tour guides are local residents. All guides are provided with a basic booklet of information and then given a license to personalize their tours. Visitors respond well to the personal touch and authenticity.

## **Tour Arctic, Kotzebue, Alaska**

### **OVERVIEW**

Kotzebue, 36 miles above the Arctic Circle and with a population of over 3,000 people, is a community destination as opposed to a site destination. Day and overnight tours are available. The activities in the community include visits to a cultural camp, the National Park Service Visitor Center, and the NANA Museum of the Arctic, which showcases the culture and history of the Inupiat peoples. There are demonstrations of traditional dances and customs, including the blanket toss; a guided tundra walk that allows visitors to study the unique Arctic environment up close; and local shops that sell handmade Native art. Ground tours are all operated under contract with Tour Arctic, owned by NANA, which purchased the operation from nonlocal owners.

### **PROJECT DEVELOPMENT EXPERIENCES**

Kotzebue, due to its remote location, was never in danger of being overrun by visitors because flights and tour groups arrived at defined times. During the planning and marketing processes in establishing the tour venture, Tour Arctic worked hard on relationships with cruise lines, airlines and other marketing partners and was able to eventually generate 10,000 to 11,000 visitors annually. In the past several years, tour volume has dropped off significantly and was described as currently “almost nonexistent.” The downturn is largely due to the fact that Alaska Airlines and cruise lines significantly diminished their promotion of the package.

The NANA tour was well-designed, as the museum already existed and key relationships were in place from the previous tour operator. A retail component was added, which helped regional artists get their product to market. Buying was centralized, with Tour Arctic assuming some risk by buying the art directly from the artists (many retail outlets sell art on a consignment basis in which the artist does not get paid until the piece sells, which in some cases can be years). In response to requests from the artists, an area was added for artists’ demonstrations.

Because an outside operator previously operated the tour, there was strong resentment among some in the community. NANA’s purchase of the tour provided a chance to reinforce local cultural identity — especially among youth — and provide economic development and shareholder hire. For example, there is a nearby

tour of a fish drying camp. Shareholders' children were hired to conduct the tours with the participation of village elders. They demonstrated how setnet fishing operations worked, how they cut fish with ulus, and other forms of traditional hunting and gathering. The children received the benefit of learning traditional culture as well as modern skills (presentation, communication, and business management). Visitors' response was very positive and the elders enjoyed having an avenue for sharing the culture with youth.

## **Sitka Tribal Tours, Sitka, Alaska**

### **OVERVIEW**

Sitka Tribal Tours is a nonprofit organization founded in 1994. Walking, hiking, and coach tours are offered. The tours are designed to educate visitors on Tlingit and Russian history and wildlife of the area. Attractions include the Sheet'ka Kwaan Naa Kahídi (The House for All the People of Sitka), Naa Kahídi Dancers, Sitka National Historic Park, Raptor Center, St. Michael's Russian Orthodox Cathedral, Mt. Edgecumbe Volcano, Alaska Pioneer's Home, and the Russian Bishop's house. Other activities include Sitka's historical sites, Alaska Native natural history and culture, hiking tours through the rainforest and sportfishing. All tour guides are local residents.

### **PROJECT DEVELOPMENT EXPERIENCES**

Sitka Tribal Tlingit Cultural Tours mission is to present local Native culture in a positive, reinvigorated tone, resulting in a tour program with an authentic perspective on the Tlingit culture, while providing economic opportunities for the Native community of Sitka. Its goals are employment for the Native community, profitability and self-sustenance, an authentic quality tour product, and perpetuation of Tlingit culture. Sitka Tribal Tours differentiates itself from other tours by providing a high-quality and authentic experience that responds to visitors' main motivations: wildlife, scenery, culture, history, and nature.

Sitka Tribal Tours advises that a community has to be supportive for any development to work. They also have to know what resources are available for them to use, and what their mission will be. Small business training should be provided, including business planning, accounting and marketing.

The Tribe was systematic in its approach to using its local business resources and partnerships. They consulted with financial institutions and board members, rural development investors, and the Alaska Department of Labor and Workforce Development. They used local training resources already in place, and the knowledge of their elders and tribal governments. Careful consideration was put into what their tours should feature, how to package the product, what markets and customers they could attract, marketing partners, how best to use the media, and how to transport visitors to and from Sitka and within the community.

## **Goldbelt, Juneau, Alaska**

### **OVERVIEW**

Goldbelt owns and operates several tourism ventures in Juneau including Mount Roberts Tramway, Goldbelt Hotel, and the Seadrome Marine Complex. The corporation began investing in tourism in the early to mid 1990s. During that time, Goldbelt was aggressively seeking new investment opportunities. By 2000, the

company was involved in nearly a dozen tourism ventures including a small cruise line, day boat companies, travel agency, and retail operations.

## **PROJECT DEVELOPMENT EXPERIENCES**

The corporation entered the tourism industry by partnering with existing tour operators and purchasing existing operations. Goldbelt contributed investment and operating capital in exchange for a financial return, employment opportunities, marketing clout, and mentoring of management and staff.

Their early partners included Allen Marine and Alaska Discovery. Senior managers noted the value of having new tourism employees trained by managers with extensive backgrounds in safety and operation. This was apparent especially with marine operations, adventure tours, and the tramway — safety, maintenance, and compliance with regulatory agencies were paramount.

It was very valuable for Goldbelt to have experienced human resources management in place to assist with recruitment and training, and to help address personnel issues. Early on, the strong sense of ownership and personal connections to Goldbelt board members led to an expectation among some employees for preferential treatment. It was critical for the supervisors, managers, and HR specialists to be consistent in their response to employee issues and adherence to personnel policies.

Clear direction and training should be provided, followed by frequent communication among employee teams at every level. Managers all needed to be working on the same page, putting aside personal differences. Senior managers commented that constant communication is needed to ensure that no employee is ever in the position to say “No one tells me what is going on around here.”

A key consideration has always been how much cultural information to incorporate into the tourism products. Goldbelt wove cultural interpretation into their products in differing degrees. Examples include:

- The Goldbelt Hotel lobby was remodeled to include several display cases of Tlingit art, a Chilkat robe, and several other significant pieces of art. Similarly, Goldbelt Family Travel installed a display case with a beautiful robe in the lobby.
- The tramway has numerous ways that visitors are exposed to Tlingit culture. The tramway cars are named Ch’áak (Eagle) and Y’eil (Raven); an interpretive film, called Seeing Daylight, was produced for the tramway theater; the retail shop includes a higher-end gallery with Tlingit art and regalia; the larger retail area also includes a wide array of culturally themed items at various price points; and the trails at the tramway summit feature several culturally modified trees. The tramway also offers opportunities for visitors to interact with artists working on totem poles, beading, and other crafts.
- Auk Ta Shaa Discovery, an adventure tour company offering guided rafting and canoeing, featured guides in regalia telling traditional stories on the canoe trip.

Senior managers note that interest at the tramway has grown considerably in the past decade. Visitors interact more with elders and artists, are much more engaged in the film, and purchase more Native artwork. Tramway managers observed that it takes time and experience to develop the right balance of product and sales experience — further complicated by the fact that visitor tastes change from year-to-year.

The tramway has several methods of working with artists. Examples include:

- Artisan agreements are offered to local artists and residents who want to produce their artwork at the tramway and sell directly to the public. The tramway takes a 10 percent commission. Artists are expected to comply with the written agreement that specifies the need for neat appearance and polite interaction with guests.
- Retail merchandise is purchased at wholesale prices from many vendors. The tramway retains the right to set the retail price at the level it believes appropriate (typically 100 percent mark-up).
- Some high-end art pieces are taken on consignment. This approach allows the tramway the ability to augment retail display areas and earn a commission, without a significant financial risk. The artist is provided a venue for displaying high-quality work but must wait for the piece to sell before being paid.
- Artists are commissioned to produce pieces for the tramway. Several of the large totem poles displayed at the facility provided opportunities for artist and visitor interaction. This educational opportunity also enhanced sales of replica totem poles and other hand-crafted retail items.

Goldbelt managers noted the value of getting young adults involved in tourism operations when they are about 14 or 15 years old (a work permit is required). At this age, they are easily paired with more seasoned employees and managers, and within several seasons, they develop supervisory skills and are often more likely to pursue college.

Senior managers also commented on the importance of building relationships with elders. Elders have many important roles including serving as cultural advisors and models of excellent work habits. It is important to welcome them into the operation. They also can help advocate for the hard work of employees and managers when shareholders, board members, or tribal citizens might question or criticize operations unfairly.

## **Ahtna Development Corporation**

### **OVERVIEW**

Ahtna Development Corporation (ADC) is a wholly owned subsidiary of Ahtna Inc. One of its purposes is to promote tourism businesses and developments in the Ahtna region. For the past two years, ADC has been encouraging more tourism development in the region. Ahtna's land holdings are extensive, and the tourism ventures include two main areas: the Copper River Valley/Wrangell-St. Elias Region and the Cantwell/Denali Region. ADC owns Copper River Adventures Tours, which include an ATV tour, river cabin rentals, and river camping.

### **PROJECT DEVELOPMENT EXPERIENCES**

Ahtna focused on understanding the visitor industry, encouraging input and participation from shareholders, and detailed planning. One of the first steps Ahtna took when starting their operations was going through a comprehensive regional tourism planning process. An effort was made to educate board members about the

existing regional and local visitor industry in preparation for launching Ahtna's ventures. Research included a review of visitor data and traffic patterns. This was useful in setting realistic goals about how many and what types of people they would be attracting for their tours and allowed them to develop revenue projections.

Ahtna received start-up assistance from the state's Tourism Mentorship Assistance Program (TMAP) and the Alaska Travel Industry Association (ATIA). Through these partnerships they were able to receive training, identify development opportunities, and establish networking and collaboration possibilities with existing visitor industry businesses.

Insurance was a concern when starting up Ahtna tours. Insurance can be big barrier for small tour operators. The interviewee noted that most large operators, such as Princess, must be shown proof of insurance before they do business with small operators and require a large policy, upward of \$1 million.

Scale should be considered when planning new tours. Small-scale tours cannot always operate profitably. Sometimes potential losses, however, have to be weighed against gains, such as shareholder training and employment, experience gained, building name or brand recognition, and allowing the company to become established in the visitor industry. At some point, all tours will need to become self-sustaining.

Ahtna has several ways to address shareholder and resident concerns and ideas. First, there are village meetings two to three times per year, when shareholders can express ideas or concerns. It takes about a year for an idea to get through the village vetting process before it is presented to the full board for approval. This allows time for checks and balances (including feasibility studies and business planning and development). Second, Ahtna is a founding member of a regional tourism committee that meets regularly throughout the year to share information and learn from others in the industry. It also facilitates questions and concerns related to tour operations.

Early in the tour development phase, Ahtna provides training in land management and cultural issues. They also coordinate their planned activities with their land protection officers and land development staff to ensure positive experiences for communities and visitors. Plans and mitigation measures are consistently updated for those villages most impacted by the tours.

Other keys to operational success mentioned by Ahtna staff included tourism development information should be shared locally, regionally and statewide; businesses must be constantly promoted to succeed; realistic budgets must be developed and reviewed quarterly; finding and retaining the highest quality staff is essential; and a positive public image must be maintained.

## **Tourism Best Management Practices Program (TBMP), Juneau, Alaska**

### **OVERVIEW**

The Tourism Best Management Practices (TBMP) program was started in Juneau in 1997 as a result of resident and industry dialogue concerning the impacts associated with increased visitation. It is an effort by Juneau tour operators, cruise lines, transportation providers, and the City and Borough of Juneau to minimize the impacts of tourism "in a manner which addresses both resident and industry concerns and enhances our visitors' experience in the Capital City." All participants adhere to guidelines established by TBMP, along with the city, state, and federal regulations. The program helps regulate operators, and because the program is

voluntary, can reduce the potential costs of excessive regulation and litigation. All participants volunteer for the program. In 2007, there were more than 70 tourism businesses and 1,600 employees in the program.

The program runs on community feedback through e-mail or phone calls and by internal observation of operators notifying each other if they observe the TBMP guidelines not being followed. At the beginning of each tourism season, the operators meet, review the guidelines, and sign a document stating they will adhere to those guidelines. At the end of each season, the operators meet again to go over the summer and any complaints, and discuss what can be done to improve in the following year.

Agreements and guidelines have been established for concerns about:

- Transportation and vehicles including traffic flow, engine idling, vehicle fluids, transiting residential streets, safely backing up, impeding pedestrian traffic, and safety on roadways.
- Flightseeing including flight routes, altitude, flying over neighborhoods, operating times, and wildlife viewing.
- Transportation corridor issues including walking, hiking, and bicycling tours and mitigating impacts during commuting hours, using bike paths, yielding, parking, and litter removal.
- Cruise ship issues including noise levels, emissions, and litter.
- Docks, harbors, and the airport; marine tour impacts on coastal zones.
- Training for businesses and employees.