PROSPECTS FOR TOURISM BUSINESS DEVELOPMENT IN SOUTHWEST ALASKA

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What we’ll talk about
What does tourism mean to SW
What are the trends
What are SW’s strengths
What are SW’s weaknesses
Tourism and communities
Opportunities
Steps to take
Sources of help
Tourism is big business in Alaska
• 1.7 million visitors annually
• $1.5 billion expenditures annually

Tourism is the world’s largest service industry
But only about 10 per cent of them visit Southwest and only about 6% of their spending is in Southwest.

But they spend 90% more per capita.

Most is "mass" tourism. Almost two-thirds come on cruise ships, 4% come by highway and 1% by ferry.

We care most about the 45% that come by air.
Tourism took a big hit along with the rest of the U.S. economy. Visitor arrivals dropped 7% from 08 to 09. Air arrivals dropped 15% and ferry 16%.

Only cruise ship traffic remained steady.
No 2010 data yet, but it looks like a turnaround has begun.
Southwest is a region of enormous tourism potential. It has:
• Extraordinary scenery (weather permitting)
Charismatic wildlife
• Geology and other unique natural features
• Communities unlike those found anywhere else in the nation
• An abundance of cultural and historical sites
•And a people and lifestyle totally different from what most people have experienced
Given its abundant advantages, why has Southwest failed to capture a bigger share of Alaska’s tourism wealth?
Logistical Impediments to Southwest Alaska tourism:
• Great distances and difficult access
• High cost of transportation and other services
• Often awful weather
• Perception of rugged, “frontier” conditions
Structural impediments:

• Lack of knowledge of region by tourism “brokers”
• Lack of access to capital by region’s residents
• Inadequate resources for marketing
• Limited pool of business expertise and management skill
• Shortage of a tourism trained and experienced workforce
• Disagreement in many communities about tourism
Community-base tourism development

What is the role of the community viz private sector entrepreneurs?
What would the community hope to get out of it?

Economic development
jobs
cultural preservation...?
However-- Most tourism revenue is seasonal
Most tourism jobs are low-paying

Revenue accrues to individuals, not shared by the whole community, making “haves” and “have-nots”

Cultural heritage may be exploited
Resources (e.g. fish) may be used

Many people find tourists invasive
Visitors can challenge local values
Visitors may have demanding standards

Tourism is very competitive and the competition is well financed
That said, if there is interest in your community...
What are the possibilities?
What are the necessities?
How do you start?

Can you do a SWOT analysis?
Kinds of tourism for Southwest Alaska

Consumptive –
hunting – big game, waterfowl
fishing
clamming
berry picking
Cultural –
Native culture
Historical
War history
Adventure, and “soft adventure”
• Mountaineering
• Sea kayaking
• River rafting
• Snow machining, dog sledding, llama trekking
Ecotourism—
• Nature-based tourism
• Geotourism (volcanoes, glaciers, geology)
Wildlife viewing (more on that later today)
All the support activities, services, and products
• Lodging and meals
• Intra-region transportation, including shuttles
• Provisions and supplies
• Repairs, maintenance and storage

Trip planning, booking, bookkeeping
Arts, crafts, souvenirs
And of course guides, boat captains, naturalists, historians, cultural interpreters, etc.
Izembek National Wildlife Refuge Headquarters

What do you need for tourism?

An attraction or combination of attractions
Work together, think sub-regionally

Usually need several attractions to draw and hold visitors

(By the way—very nice SWAMC tourism website)
Access, accommodations, and assistance help for the visitors, logistical and personal)
Capital, or access to capital through financing

Ability to comply with legal requirements
A willing, enthusiastic, trained, capable workforce (Tourism employers often end up hiring outside)

Also, managerial expertise
A business plan. A marketing plan. Advertising, strategic business relationships
What to do first?

• If working with a community, hold meetings
• Survey what you have, what is in demand
• Draft marketing concept, project revenues, costs
No need to reinvent the wheel.

A lot of help is available
Agencies, Organizations, Programs
Office of Tourism Development, ADCCED
AFN Alaska Marketplace
ATIA, AWRTA
ADFG Watchable Wildlife

Publications
Starting an Ecotourism Business in Alaska
Alaska Community Tourism Handbook

Sources of Advice
UAF Sea Grant Marine Advisory Program
Adventure Tourism Marketing
Private consultants
What can we do for you?

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