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# Tourism Haida Gwaii

Business Plan and Application for the  
Additional Hotel Room Tax



Photo by Heron Wier

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## EXECUTIVE SUMMARY

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This business plan outlines the organizational structure of Tourism Haida Gwaii by identifying the Misty Isles Economic Development Society (MIEDS) as the Destination Marketing Organization (DMO) and the newly formed Haida Gwaii Tourism Advisory Committee (HG TAC) as its guiding stakeholder group.

The plan recognizes that Haida Gwaii can offer world class tourism experiences and that there is potential to increase the value of tourism within the various communities. It identifies the priorities to be implemented in the coming 5 years by working from the 3 recently completed guiding documents for tourism on the Islands:

- Haida Gwaii Heritage Tourism Strategy (2003)
- Haida Gwaii Community Viability Strategy (2007)
- Haida Gwaii Community Tourism Plan (2009)

These documents identify the need for a more coordinated approach to marketing and developing the industry that is respectful of the place we live. MIEDS as the DMO needs to have the funding to implement the priorities to develop our tourism industry and so is applying to the British Columbia Ministry of Finance for approval to establish the full 2% Additional Hotel Room Tax (AHRT) for Haida Gwaii as a region.

## BACKGROUND AND HISTORY

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### LOCATION

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Haida Gwaii is a group of small islands located 100 kilometres off the Northwest Coast of BC, just west of Prince Rupert. The west coast of the Islands lays at the edge of the continental shelf and the east coast offers the shallow waters of the Hecate Strait. Accessible by boat and ferry or by plane, the islands are a remote and unique place.

### REGION

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As Haida Gwaii is a group of islands, the region is well defined by the surrounding Pacific Ocean. Two of the largest islands, Graham Island and Moresby Island, are home to our largest communities. There are 3 incorporated municipalities (Masset, Port Clements, and Queen Charlotte), 2 unincorporated areas (Skeena-Queen Charlotte Regional District Electoral Areas D & E), and 2 Haida villages (Skidegate and Old Massett). As well, the lower half of Moresby Island and its surrounding islands and associated marine zones form the Gwaii Haanas National Park Reserve and Haida Heritage Site. This is a National Park Reserve jointly managed by the federal government and the Haida Nation. Visitors have an opportunity to witness a vibrant First Nation and local culture, to observe natural wonders, and to experience unparalleled solitude.

Also protected under provincial legislation is the Naikoon Provincial Park located on the North East corner of Graham Island. It is bordered by a hundred kilometres of expansive sand beach attracting thousands of visitors every year. In addition to Naikoon, the Province of BC and the Haida Nation have established another 11 new Conservancies and Haida Heritage Sites for visitors to experience.



### HISTORY OF TOURISM DEVELOPMENT ON HAIDA GWAII

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While tourism certainly has existed for many decades on Haida Gwaii, it really came to the forefront upon the creation of the Gwaii Haanas Park Reserve and Haida Heritage Site in 1993. A wide variety of tourism providers started up in large part as a result of this new protected area. Since this time the communities of Haida Gwaii have come to recognize the importance of tourism as a

growing sector of the Islands economy. This importance has caused tourism to be explored through past studies and local initiatives, with the most recent and recognizable of these being the Heritage Tourism Strategy (2003), the Haida Gwaii Community Viability Strategy (2007), and the Haida Gwaii Community Tourism Plan (2009).

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## HAIDA GWAII HERITAGE TOURISM STRATEGY

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The Heritage Tourism Strategy was developed through consultation with Islanders by Islanders, and outlines what is important about where and how we live and what we must do to protect, celebrate, and share our heritage. On Haida Gwaii heritage can be defined as having 5 integrated elements:

1. The relationship between healthy ecosystems and our way of life.
2. A deep and profound respect for Haida culture.
3. A strong determination to preserve our unique island way of life.
4. An Inspired Relationship to Place.
5. Community integrity and the importance of that which is local.

From these 5 elements the Strategy provides eleven linked objectives. These include:

- Encourage islanders, local institutions, and off-island interests to understand and respect the Heritage Tourism Strategy's definitions of heritage.
- Cultivate a deep and profound respect for Haida culture.
- Encourage tourism operators, visitors and local residents to maintain healthy marine and terrestrial ecosystems.
- Encourage mutual respect, honesty, integrity and trust in our relationships with off-island tourism and associated interests.
- Ensure that the Heritage Tourism Strategy contributes to building a truly sustainable island economy.
- Encourage the incorporation of the Heritage Tourism Strategy into the marine and land use planning processes for the Islands.
- Establish partnerships with educational programs and institutions to ensure tourism-related activities are conducted responsibly and appropriately.
- Respect the knowledge and experience of local people.
- Improve and develop tourism employment opportunities for island residents.
- Build educational and interpretive support for the Heritage Tourism Strategy in the expanded tourism community.
- Determine how to best assure on-going implementation of the Heritage Tourism Strategy objectives and vision.

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## HAIDA GWAII COMMUNITY VIABILITY STRATEGY

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The Haida Gwaii Community Viability Strategy, jointly facilitated by the Province and the Haida Nation, was finalized in May 2007. It provided a strategic plan for the future economic development of the islands, developed through the collaboration of residents in each of the communities on Haida Gwaii.

It noted that Haida Gwaii relies heavily on resource extraction activities and the government sector for its job base. The regional economy on the islands in 2001 (latest data available from BC Stats) remained very dependent on the forest sector and government services (education, health and public administration). Collectively these two sectors made up approximately 63% of the income generated locally although since then there has been a decline in the resource economy.

In 2001, 31% of the local labour force was employed in primary or goods-producing activities compared to less than 21% for the province. Despite this weighting, the regional economy has experienced a steady transition away from goods production over to service-based employment. As forestry and fisheries employment fall, service employment is becoming a necessary mainstay for many residents.

Tourism was the third most significant employment generator on Haida Gwaii accounting for 12% of basic sector employment, behind the public sector (41%) and the forest sector (28%). Despite being the third largest sector on Haida Gwaii, the proportion of total community income was approximately only 5% because of lower wages and the seasonality of employment. It was noted in the Community Viability Strategy that the major challenges for tourism include the lack of community involvement in and benefits from the tidal fishing lodge sector, the current limited season of many products, limited visitor services, uncertain ferry services and a general lack of coordination and marketing to visitor markets. Despite these problems, tourism has some exceptional potential because of the unique combination of mystic, landscapes, culture, history, and communities that few other places can match.

There are a total of 66 strategies for achieving the Plan goals under a Three Year Plan and the following 8 are under Tourism.

23. Develop better organizational capacity among the tourism industry.
24. Apply for Tourism BC's Community Tourism Foundations Program.
25. Update the Heritage Tourism Plan and incorporate destination and market development components.
26. Strengthen visitor services on and off the islands.
27. Develop a better understanding of local visitor markets on which to base product and market programs.
28. Provide assistance to new and existing tourism businesses to encourage more product development and professional service levels.
29. Assist in the development of the arts sector.
30. Package and promote existing artists.

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## HAIDA GWAII COMMUNITY TOURISM PLAN

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The Haida Gwaii Community Tourism Plan was completed less than a year ago is a valuable resource for MIEDS and the newly formed Haida Gwaii Tourism Advisory Committee (HG TAC). It addresses the following topics:

- An assessment of tourism markets geographically and by activity motivators using market research provided by Tourism BC Research Services
- An understanding of Haida Gwaii's strengths, weaknesses, opportunities and threats

- A review of current visitation to Haida Gwaii and an assessment of potential target markets for proposed marketing and sales strategies/tactics
- As assessment of tourism product development opportunities
- Recommendations for the governance and role of the HG TAC to MIEDS.
- Proposed marketing/sales strategies and tactics
- Recommended measures of success to be monitored as the plan is implemented

The priorities for the Community Tourism Foundations Program were articulated by all participants with a great deal of consistency. There is a desire to grow awareness of Haida Gwaii as a destination for high yield, low impact visitors, particularly in off-peak seasons (other than July and August) and recognition that this might best be achieved within the context of destination-wide marketing and sales effort.

The following key issues were identified for further exploration during the planning process:

- There is a need for all tourism stakeholders on Haida Gwaii to work collaboratively together in order to effectively attract high yield learning and adventure travelers
- A destination marketing organization that takes the lead on marketing/sales of the destination of Haida Gwaii and works together with individual businesses to promote the entire destination is required
- This new destination marketing organization requires a funding model that provides a sustainable stream of annual funds for investment in marketing/sales strategies
- There is no clear brand messaging for Haida Gwaii
- There are strong seasonalities that must be addressed

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#### STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

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##### Strengths:

- Haida history and living culture
- Haida Gwaii natural beauty – wilderness, wildlife, unique ecosystem
- Gwaii Haanas/World Heritage Site/ village sites/ Hotspring Island
- Haida Heritage Centre
- Activities available – fishing, kayaking, hiking, etc
- Remote, isolated, serene – relatively undiscovered
- International recognition of ‘Haida’ culture
- Islands (people want to visit islands)
- In tact ecosystems
- Beaches
- People – interesting stories, artists
- Uncongested

##### Weaknesses:

- Lack of cohesion, cooperation among stakeholders
- Access – difficult and expensive
- Highly seasonal/weather issues
- Lack of infrastructure – accommodations, restaurants

- Staff shortages
- High cost of operations; limited capital for new business ventures
- Customer service levels
- Lack of business expertise
- Lack of trained outdoor recreation guides with safety certification
- Cost of business liability insurance
- Haida Gwaii is perceived to be expensive
- Infrastructure improvements required (eg. Tow Hill road, Rennel Sound, Grey Bay)
- Car rentals not permitted on back roads due to potential damage

#### Opportunities:

- Growth in learning/experiential travel sector in all geographical markets – ideal fit for Haida Gwaii products
- Defensible unique selling proposition – combination of living vibrant Haida culture and spectacular nature
- Many new product opportunities
- Packaging of experiences
- Increased aboriginal participation in business ventures and visitor experiences

#### Threats:

- Lack of community support/understanding of value of tourism
- Limited access – ferries/planes and cost to access
- Decline in fish stocks
- Limited access to Gwaii Haanas
- Fiercely competitive global marketplace
- Stronger Canadian dollar
- Higher fuel prices
- Logged landscape detracts from pristine imagery
- Need to ensure that volume of tourists doesn't change what makes Haida Gwaii special
- Some locals do not respect the environment – litter, ATV's on the beach, etc.

## CONCLUSIONS AND IMPLICATIONS

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There remains a significant opportunity to create a sustainable tourism economy on Haida Gwaii in keeping with the principles of the Heritage Tourism Strategy. The Haida Heritage Centre and Gwaii Haanas National Park Reserve are anchor elements for most markets although certain niche markets will have a narrower activity based focus such as fishing, kayaking or bird watching.

Key markets for Haida Gwaii must focus either on those travelers seeking eco-tourism, learning and experiential vacations – growing markets, well suited to the Haida Gwaii experience or on specific activity driven travelers.

Leisure travelers represent the most significant opportunity for Haida Gwaii

The proposed target market mix and associated marketing/sales strategies should target regional BC/AB market and the longer-haul domestic market of Ontario

The U.S. market should be considered (WA, OR or CA) but there should not be an over reliance on the U.S. given its current declines in visitation and its recent unpredictability

International markets should be pursued beginning with the U.K., Germany, Netherlands, Austria/Switzerland, and eventually including Italy, France, and Australia. The Haida Heritage Centre has noted strong European visitation in May/June and September/October which supports the objectives of growing off-peak visitation.

Day excursions from cruise ships remain a potential niche market although Haida Gwaii will have to compete with other shore excursions. Other niche markets include bird watching, educational/alumni institutions, ocean fishing and kayaking.

Marketing and sales strategies must recognize the importance of the internet and must also provide opportunities to book elements of the Haida Gwaii experience in advance. Multiple distribution channels must be pursued to reach various target markets.

Despite its remoteness, many travelers do spend long enough touring in order to incorporate Haida Gwaii into their travel plans. Ferry access will be vital to the touring segment. Other visitors will arrive via ferry, airplane, or floatplane. These access considerations must be addressed and strategies and tactics must recognize the potential negative impact of these access limitations.

Current estimated visitation to Haida Gwaii is over 50,000 visitors annually. Area of origin statistics for 2005 from the VIC's indicate Haida Gwaii receives a similar proportion of its business from BC, rest of Canada as compared to travel to British Columbia generally. However, Haida Gwaii has proportionately more international visitors and fewer US visitors than the rest of British Columbia.

Visitor data specific to Haida Gwaii is collected at a variety of points such as the BC Ferries, Haida Heritage Centre and Gwaii Haanas Administration Office. In future, this data along with statistics from the Visitor Centres should be combined and reviewed regularly to track visitation trends.

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## PRODUCT DEVELOPMENT/CAPACITY BUILDING OPPORTUNITIES

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A number of product development and capacity building opportunities have been identified as a result of this review of market research:

- Additional 3-4 star accommodation
- Improved hours of operation in the retail and restaurant sector
- Understanding of tour operator markets and the willingness/ability to contract with overseas tour operators and offer net rates

It is recommended that the Tourism Advisory Committee function in a support role related to product development rather than as an actual owner or producer of products or events to ensure that its limited resources remain focused on marketing and sales and its primary objective of generating incremental visitation and tourism spending. For example, the Tourism Advisory Committee may act as a catalyst to new and improved tourism product by facilitating service training sessions offered by others, or providing an umbrella for existing businesses to package themselves, as occurred with The Art Route project. Further, the TAC can facilitate product development by gathering like interests and working together to identify priorities, secure funding

and then transferring responsibility for implementation to the gathered interests e.g. hiking trail development.

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## COMMON THREADS

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The past work identified by these processes has clearly shown a number of common threads as priorities in tourism. These are:

- Encourage islanders, local institutions, and off-island interests to understand and respect the Heritage Tourism Strategy's definitions of heritage.
- Cultivate a deep and profound respect for Haida culture.
- Encourage tourism operators, visitors and local residents to maintain healthy marine and terrestrial ecosystems.
- Encourage mutual respect, honesty, integrity and trust in our relationships with off-island tourism and associated interests.
- Establish partnerships with educational programs and institutions to ensure tourism-related activities are conducted responsibly and appropriately.
- Respect the knowledge and experience of local people.
- Improve and develop tourism employment opportunities for island residents.
- Build educational and interpretive support for the Heritage Tourism Strategy in the expanded tourism community.
- Develop better organizational capacity among the tourism industry.
- Update the Heritage Tourism Plan and incorporate destination and market development components.
- Strengthen visitor services on and off the islands.
- Develop a better understanding of local visitor markets on which to base product and market programs.
- Provide assistance to new and existing tourism businesses to encourage more product development and professional service levels.
- Assist in the development of the arts sector.
- Package and promote existing artists.
- There is a need for all tourism stakeholders on Haida Gwaii to work collaboratively together in order to effectively attract high yield learning and adventure travelers
- A destination marketing organization that takes the lead on marketing/sales of the destination of Haida Gwaii and works together with individual businesses to promote the entire destination is required
- This new destination marketing organization requires a funding model that provides a sustainable stream of annual funds for investment in marketing/sales strategies
- Develop a clear brand message for Haida Gwaii
- Address the strong seasonalities that exist in the industry

The five year marketing strategy proposed as part of this business plan seeks to address these priorities, as well as other critical elements to strengthening and growing our tourism industry on Haida Gwaii.

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## FIVE YEAR MARKETING STRATEGY:

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The following marketing strategies are intended to generate measurable increases in overall visitation, with a particular focus on the shoulder seasons and in economic impact (spending) by visitors to Haida Gwaii.

Funding available for marketing and sales will dictate the extent to which the following strategies can be executed. Given limited funds, it is considered absolutely essential to have a strong media relations program and an outstanding web presence.

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### MEDIA RELATIONS

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Editorial coverage in key media that influence travel decisions in target markets is critical to promoting Haida Gwaii. Feature articles in magazines, newspapers and on-line media are invaluable for building awareness and credibility as the next 'must visit' destination in the world. Care must be taken however, to ensure that the experience promoted in the media is available consistently and to a standard that meets traveler's expectations. Ongoing education of local tourism businesses regarding the expectations of the international traveler must occur in parallel with these media relations efforts.

Media efforts must be particularly strong during the first three years of marketing Haida Gwaii and then must continue with a steady investment of effort and resources in order to maintain top of mind awareness, particularly with the free/independent traveler market.

The following media relations strategies and tactics are recommended:

1. Continue to leverage the media resources of Northern BC Tourism, Tourism BC along with the CTC and participate in their media outreach programs as appropriate (media marketplace, in-market media dinners etc.). This strategy has already secured significant coverage for Haida Gwaii and should be continued
2. Conduct local operator education sessions to educate on 'export ready' standards and the expectations of international media and their readership
3. Develop a media kit for interested journalists that conveys the Haida Gwaii experience and includes a selection of high resolution, stunning photographs and a DVD of Haida Gwaii/QCI moments + HD B Roll
4. Host key media and showcase Haida Gwaii and all the various experiences available
5. Working together with Northern BC Tourism target select niche publications for fishing, kayaking, bird watching, education/learning opportunities
6. Pursue filming opportunities where Haida Gwaii is either featured (Discovery channel, etc.) or where Haida Gwaii is the location for filming a feature film.

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### WEB PRESENCE

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Market research indicates that many target travelers to Haida Gwaii conduct their own research and while they pre-plan and even pre-book many aspects of their trip, they do not generally purchase all-inclusive tour operator packages.

A primary source of information for these target travelers is the internet. Therefore it is absolutely essential that Haida Gwaii have a high-profile, user friendly web-site that ranks well in all major search engines and the February 2010 launch of the website [www.goHaidaGwaii.ca](http://www.goHaidaGwaii.ca) provides just that. A presence on social media outlets such as Facebook and twitter is becoming increasingly useful provided the information presented is constantly updated.

The following web strategies and tactics are recommended:

1. Improve the content on the existing website [www.goHaidaGwaii.ca](http://www.goHaidaGwaii.ca) including possible itineraries for visitors, compelling photos, video links etc. and ensure that the website content is 'sticky' and includes features like performance clips from dancing or storytelling at the Haida Heritage Centre; 'photograph of the day' showing whales migrating beside kayakers in Skidegate Inlet etc. This site should generate excitement and allow the potential visitor to place themselves on Haida Gwaii
2. Purchase key word ads such as 'kayaking', 'wilderness', 'native art' to direct inquiries to the website
3. Create an itinerary planning function on the website that allows visitors to plan a range of activities and create an itinerary that can be saved and called up again for booking
4. Include the website call to action in all marketing material in a prominent way
5. Ensure a functionality to automatically contact web visitors with special offers in any category of product/activity that they have indicated an interest based upon their previous itinerary planning
6. Run more web contests in order to generate interest in the site and to collect email addresses for follow on marketing and sales initiatives
7. Initiate a presence on facebook and twitter (if and only if resources are identified and tasked with frequent updates – staff at the Visitor Centres may be available to assist with this).

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## ADVERTISING

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While targeted advertising can be an effective marketing vehicle, the frequency necessary to truly make an impression in a prospective visitor's mind is often too expensive to justify the cost. This is especially true in distant markets that are not already aware of Haida Gwaii. Where some knowledge of the destination already exists, as with regional travelers, then select advertising may prove effective.

While advertising should be considered in magazines such as Outdoor, Travel & Leisure and other select publications in regional markets, the extent of placement will be highly dependent upon the marketing budget available. If sufficient frequency is too expensive, isolated one-off ads will not provide a return on investment. Northern BC Tourism may have specific advertising opportunities that should be considered as these are offered at a highly discounted rate due to their purchasing power. A presence in the Northern BC Travel Guide is recommended. In order to reach regional markets, advertising in Northword should also be considered in combination with editorial coverage.

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## COLLATERAL/PROMOTIONS

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Tourism operators on Haida Gwaii often participate in a variety of consumer shows. The Haida Nation is often asked to participate in cultural events such as the recent Smithsonian feature on the Pacific Northwest, or the Museum of Civilization etc. These events are excellent opportunities to

promote visitation to Haida Gwaii through lure brochure distribution to attendees; special offers to members; linked websites; etc.

Other more specific promotions can be negotiated with specialty retailers like Necky Kayaks, REI or Mountain Equipment Coop where an in-store promotion of Haida Gwaii takes place with special offers, contests etc. The database of contest entries is an excellent way to build a database of interested travelers who can then be targeted with follow on offers through direct marketing.

The Visitors' Guide to Haida Gwaii produced by The Observer, our local Islands' newspaper, is an important information piece for visitors once they have arrived. A more formal understanding with the current producers of the Guide should be developed in order to allow input to the Guide's content and its overall look/feel to ensure it is consistent with the brand identity to be developed.

The following collateral/promotions strategies and tactics are recommended:

1. Produce a brochure that intrigues and entices potential visitors to seek out more information on Haida Gwaii, directing them to the website. Often known as a 'lure' piece, it is intended through dramatic photography and key messages to entice the reader to take the next step towards investigating a visit to Haida Gwaii
2. Enter into discussions with the producers of the Visitors Guide to determine appropriate ways to collaborate to ensure an optimal information piece for visitors
3. Produce several specialty brochure rack cards that can either stand alone or be included with the lure brochure covering specific interests including fishing, kayaking, birdwatching, educational courses offered through the Haida Heritage Centre. These two-sided cards fit in Visitor Information Centres kiosks, BC Ferries racks and can also be distributed at specific consumer/trade shows. They are less expensive to produce than the lure brochure and consequently can be distributed in greater volume
4. Include rack cards in all key gateways and portals including: Vancouver Airport Visitor Information; Tourism Vancouver Visitor Information; BC Ferries select routes, Prince Rupert VC; Prince George VC;
5. Offer 'electronic brochures' via the website using 'pdf' files that can be downloaded and printed easily
6. Produce a media kit for use by journalists that includes stunning photography, key facts/figures, story ideas and initiate a series of Press Releases to continually offer new and interesting 'hooks' to intrigue editors and foster articles
7. Conduct several major promotions that include special offer to members, contest giveaway, in each of the following categories:
  - a. Kayaks/outdoor equipment such as Mountain Equipment Coop
  - b. Cultural institution such as the Smithsonian, Museum of Anthropology

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## DIRECT MARKETING

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Haida Gwaii must begin to build a database of visitors and potential visitors. The information collected on the individuals in the database should be sufficiently detailed to allow special packages and offers to be tailored to them. For example, kayakers should be identified distinctly from those interested in art programs at the Bill Reid Teaching Centre. Ideally in all cases, email addresses are captured as this is a very cost-effective way of communicating with potential visitors. Of course, privacy laws require consent from the individual in order to allow solicitation to occur but often the provision of a database 'opt out' clause is sufficient.

The following direct marketing strategies and tactics are recommended:

1. Investigate Use if Visitor Information Centres, Gwaii Haanas permits and the Haida Heritage Centre visitor log as a means to gather names, addresses and email details for current guests in order to pursue return visitation
2. Use specific promotions and contest giveaways to grow database with potential visitors (see promotional strategies above)
3. Use website inquiries and brochure requests to grow database
4. Create specific offers tailored to meet the interests identified
5. Create alliances with organizations such as Emily Carr School of Art, the Nature Conservancy etc. to allow secure access to their database and offer special programs designed to meet their interests

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## COOPERATIVE MARKETING

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In order to extend the marketing reach of Haida Gwaii, it is critical that funds from other organizations be solicited and leveraged.

- Northern BC Tourism Association
  - A strong relationship already exists with NBCTA and continued cooperative marketing with Northern BC Tourism is important as is accessing their team of media and tour/travel experts.
- Aboriginal Tourism Association of British Columbia (ATBC)
  - ATBC also offers a number of programs that will support Haida Gwaii's tourism objectives. There are two categories of membership – Full members (more than 51% Aboriginal owned) and Associate members (not majority Aboriginal owned but supportive of Aboriginal tourism and communities).
- Other Potential Partners
  - Other organizations with similar goals and objectives should also be approached to work cooperatively on marketing initiatives. For example, BC Ferries, the Sandspit Airport authority, the Haida Heritage Centre, Bluewater and other tourism businesses on Haida Gwaii all have an interest in seeing visitation grow.
  - A cooperative marketing program featuring cultural centres located in Osoyoos, Whistler and Skidegate should also be considered.
  - Relationships with 'Ksan and the Museum of NBC may also prove fruitful.
  - Structured opportunities for co-funded marketing programs should be developed and these businesses approached to secure their participation. In this manner, every dollar of marketing invested by Haida Gwaii can be doubled or tripled.

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## TRAVEL TRADE

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In order to sell through the travel trade, Haida Gwaii must first establish a sufficient portfolio of export ready product and operators offering this product who are educated in the complexities of net rates and contracting. Once this base exists, the appropriate tour operators and travel agents must be educated about the Haida Gwaii experience and how best to sell and promote it to their clientele. This education process occurs in a variety of ways. There are a number of trade shows at which members of the travel trade gather to meet with representatives of products they are interested in selling. Northern BC Tourism will represent Haida Gwaii at these shows and conduct one-on-one meetings with select tour operators.

For the most elite group of tour operators who have the greatest likelihood of successfully promoting and selling Haida Gwaii in their marketplaces, it is important to offer familiarization tours. These educational tours involve hosting key members of the tour operator's team on Haida Gwaii and allowing them to experience firsthand all that Haida Gwaii has to offer their clients. These tours will be initiated and coordinated by Northern BC Tourism but an on-island contact will facilitate both the trip planning and hosting process.

The following strategy is recommended for the travel trade:

1. Begin a series of local education and information sessions on 'Doing Business through the Travel Trade'

## PHYSICAL PRESENCE IN ALL KEY GATEWAYS

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There are several gateway locations for potential visitors to Haida Gwaii that are touring in Western Canada for 6-8 weeks and may not have considered including Haida Gwaii in their itinerary when planning their trip from home. In order to gain their awareness once they are traveling, it will be critical to have a presence in key gateways including:

- Vancouver Airport – Visitor Information Centre – US/International arrivals;
- Calgary Airport – Visitor Information Centre – US/International arrivals;
- Vancouver Visitor Information Centre
- Calgary Visitor Information Centre
- Banff Visitor Information Centre
- Golden Visitor Information Centre
- Victoria Visitor Information Centre
- Whistler Visitor Information Centre
- All Visitor Information Centres along touring routes especially Prince George
- BC Ferries Terminals (Tsawwassen; Horseshoe Bay; Schwartz Bay (Victoria); Duke Point (Nanaimo); Port Hardy; Prince Rupert; and on board the ferries themselves
- Prince Rupert – Cruise Ship Terminal and on board cruise ships traveling via Prince Rupert with a stopover of at least 8 hours
- RV Rental offices and suggested itineraries for touring Western Canada

This presence in all gateways will include brochures that showcase the range of experiences on Haida Gwaii. The Haida Heritage Centre and Gwaii Haanas should be featured along with sample itineraries for 3-5 day touring stays, ferry schedules and the official 'call to action' phone number and website for reservations. In high traffic and greatest opportunity locations, a more significant physical presence should be considered using Haida art (Haida totem pole/carving in the Vancouver Visitor Information Centre as an example) and large, stunning visuals.

Specific tactics to be executed include:

1. Design a rack brochure specifically for inclusion in Visitor Information Centres around British Columbia and Alberta. This brochure must be eye-catching and able to stand out against hundreds of competing brochures
2. Engage a company to stock and replenish brochures in all locations on a regular basis
3. Meet with representatives from BC Ferries to discuss opportunities to showcase Haida Gwaii on the Inside Passage Route and on the busy Vancouver-Victoria crossings

4. Meet with representatives from Tourism Vancouver and Tourism Victoria to discuss opportunities to showcase Haida Gwaii in their Visitor Information Centres – two of the busiest in the Province
5. Meet with RV companies in Vancouver and Calgary to discuss inclusion of Haida Gwaii in recommended itineraries, physical presence in rental locations and in vehicle placement of promotional material

## CONSUMER SHOWS

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Generally speaking, consumer shows are proving less and less effective as a tool for reaching target markets. However, certain activity motivated markets such as fishing still attend these shows and a presence may impact purchase behaviours. However, attendance at these shows should be considered within the context of an overall strategy for a particular activity based sector that also considers other means of accessing this market.

The following tactics are recommended with respect to consumer shows:

1. Investigate relevant consumer show opportunities (timing, cost, location, target market)
2. Determine who is already attending in order to leverage existing presence of other partners such as Northern BC Tourism Association or specific individual operators
3. Solicit input from tourism operators on Haida Gwaii to determine which, if any, shows they see value in attending
4. Identify short list of specific shows that should be supported by the Tourism Advisory Committee directly

## PROJECTED FIVE YEAR BUDGET

2009/2010 budget included \$50,000 MIEDS committed to tourism marketing and sales. However, this cannot be replicated if the sustainability of the society itself is to be honored. For qualified initiatives, the community may apply for up to \$30,000 of marketing support from Tourism BC under the Community Tourism Opportunities Program. Grants will be pursued as applicable and available to further enhance this budget. As well, revenue may be sought from tourist service business providers for advertising and inclusion in the future tourist trip planning option in the [www.goHaidaGwaii.ca](http://www.goHaidaGwaii.ca) website.

While MIEDS must retain ultimate decision making authority over the expenditure of its funds in keeping with the rules of the British Columbia Society's Act and its fiduciary duty thereunder, the Tourism Advisory Committee will play an important role in assessing the market place, understanding highest opportunity target markets and recommending strategies and tactics to reach these markets.

	Assumptions	2011	2012	2013	2014	2015
<b>Revenue</b>						
AHRT	2% of FRAP's Rev Conservative #	\$ 80,000	\$ 85,000	\$ 90,000	\$ 95,000	\$ 100,000
BC Tourism Community Matching Grant		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Grants		\$ 10,000	\$ 12,000	\$ 15,000	\$ 15,000	\$ 15,000
Advertising Revenue		\$ 1,000	\$ 1,000	\$ 1,250	\$ 1,250	\$ 1,500
<b>Total Revenue</b>		\$ 121,000	\$ 128,000	\$ 136,250	\$ 141,250	\$ 146,500
<b>Expenses</b>						
Wages	1 staff 75% time inc to 100%	\$ 30,000	\$ 30,000	\$ 35,000	\$ 40,000	\$ 40,000
Office	Share with other MIEDS staff	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Training		\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Research	Baseline data collection	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Equipment		\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Telephone/Internet	Share with other MIEDS staff	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
Projects:						
Media relations projects	media kit, hosting, etc.	\$ 10,000	\$ 10,000	\$ 10,000	\$ 12,000	\$ 12,000
Web Presence	goHaidaGwaii updates, etc	\$ 6,000	\$ 6,000	\$ 6,000	\$ 8,000	\$ 8,000
Advertising	Northword, Travel & Leisure	\$ 12,000	\$ 12,000	\$ 12,000	\$ 15,000	\$ 15,000
Collateral/Promotions	brochures, promotions	\$ 15,000	\$ 15,000	\$ 17,000	\$ 17,000	\$ 17,000
Direct Marketing	using databases, target market	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Cooperative Marketing	Collaborating with others	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Travel Trade	Education Sessions	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Gateway Presence	brochures, films	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Consumer Shows		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
<b>Total Expenses</b>		\$ 113,000	\$ 113,000	\$ 120,000	\$ 132,000	\$ 132,000
<b>Net Income</b>		\$ 8,000	\$ 15,000	\$ 16,250	\$ 9,250	\$ 14,500

**\*\*The above is a draft budget intended as a placeholder to illustrate the potential activities to be undertaken. \*\***

## ORGANIZATIONAL STRUCTURE

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### ADMINISTRATION OF THE TAX

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The Additional Hotel Room Tax will be administered through the Skeena-Queen Charlotte Regional District on behalf of the three municipalities and two electoral areas of Haida Gwaii. This will be ratified by resolution from each of the municipalities empowering the Regional District to levy this tax on their behalf. The Regional District will in turn ratify the necessary resolution to levy the tax on eligible accommodation located in the Haida Gwaii portion of the regional district.

The Misty Isles Economic Development Society (MIEDS) will receive the tax proceeds from the Regional District, as the DMO for Haida Gwaii and implement the activities to be undertaken by this business plan and subsequent priorities as determined by the Haida Gwaii Tourism Advisory Committee.

### ADMINISTRATOR OF THE TAX - MIEDS

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MIEDS is the economic development organization representing the communities of Masset, Port Clements, Queen Charlotte, Sandspit (Area E), and Area D (which includes the Haida communities of Skidegate and Old Massett). The MIEDS mandate is to provide the coordinated effort between island communities to pursue joint economic development activities and to provide a vehicle to work with the Haida Nation. Economic development accords were signed between the communities and also with the Haida Nation, which represent our shared economic development priorities that serve as our mandate in moving our island communities forward.

MIEDS is backed by a board of 12 people, the executive board members being the mayors and elected leaders of the 2 regional districts on island and the other 7 members representing all communities and areas of the economy. In April 2009 MIEDS passed an official Board motion to include tourism in its work plan. MIEDS wishes to act as one of the champions for tourism on the Islands and supports a process that is inclusive of all island communities and stakeholders.

In the last year since taking on tourism as a priority MIEDS has already delivered on multiple successful projects implemented on and off the islands. Successful tourism projects to date include:

- The Haida Gwaii House pavilion located across from BC Place Stadium in Vancouver during the 2010 Winter Olympics. MIEDS was the leading organization to coordinate this \$250,000 project.
- The annual Art Route Brochure which grows yearly with new artists in a self directed tour across all the communities of Haida Gwaii. As well as a 27 page brochure, it includes artisan/farmer's markets and tours
- Launch and administration of a new tourist destination website: [www.goHaidaGwaii.ca](http://www.goHaidaGwaii.ca)
- Ran a web contest to generate interest in the site and collected over 5,000 email addresses for further promotional use
- Updated information on [www.hellobc.com](http://www.hellobc.com) BC Tourism website on Haida Gwaii
- Development of a Brand Identity
- Comprehensive list of tourism businesses across the islands
- Research and organization of printing a tourist pad map of the islands including a full map of Haida Gwaii, 7 community maps and a listing of tourist businesses islands wide

- Implementation of the Haida Gwaii marketing brand and creation of promotional material such as the Haida Gwaii canoe bookmark
- Advertising in the Northern BC Travel Guide and Northword magazine
- Hosting media
- BC Ferries ad campaign with NBC Tourism

Because of the team assembled in MIEDS with our staff and board, and our transparency with the public and concern for public consultation and engagement, administering the AHRT can best be done with MIEDS.

In November 2009 the Haida Gwaii Tourism Advisory Committee (HG TAC) was formed under the umbrella of MIEDS. Its role is to recommend annual tourism priorities to MIEDS, maintain effective and ongoing communication and consultation with other tourism and community stakeholders, and assess and consider product development opportunities. The HG TAC is currently made up of:

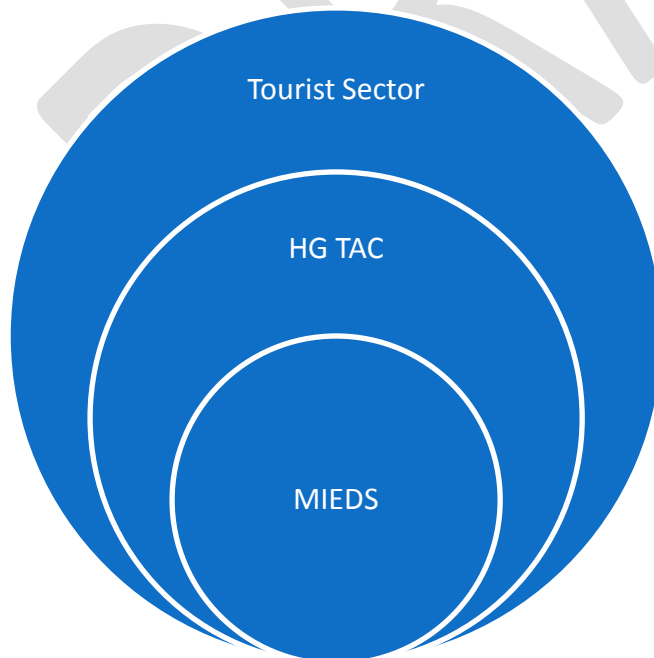
- 2 MIEDS Board of Directors
- 1 representative of the Old Massett Economic Development
- 1 representative of the Haida Heritage Centre
- 1 representative of Gwaii Haanas National Park Reserve
- 1 representative of the Sports Fishing Sector
- 2 representatives of the Accommodation Sector
- 3 positions At Large

For a current Total of 13 committee members.

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## STAKEHOLDER RELATIONSHIPS

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Tourist Sector includes:

- Accommodation
- Restaurants
- Retailers
- Gwaii Haanas Nat.Park
- Visitor Info Centres
- Haida Heritage Centre
- Fishing Charters
- Excursion Operators
- Tourism Employees
- Residents of Haida Gwaii

## THE WORKING RELATIONSHIP BETWEEN THE HAIDA AND THE MUNICIPALITIES/REGIONAL DISTRICTS

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A protocol agreement exists between the Haida Nation and the Communities of Haida Gwaii for recognition and affirmation between the entities and to work together in designing a future that will support a healthy environment and create a sustainable islands economy. In addition to this, a more specific Economic Development Accord was signed by the parties.

As well, the two Haida communities have been invited to become members of the MIEDS Board of Directors, as well as the Haida Gwaii Tourism Advisory Committee. Currently, a representative of the Old Massett Village Council is active on the TAC.

DRAFT

## CRITERIA FOR THE ADDITIONAL HOTEL ROOM TAX

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In 2004 the Province of BC announced aggressive support for tourism and its investment in the Provincial DMO structure in order to double the value of tourism by 2015. There are currently 55 communities in BC which are supported by Destination Marketing Organizations funded primarily through the Additional Hotel Room Tax (AHRT) providing 2% of room revenue. The tax revenue for MIEDS could mean an additional \$80,000-\$120,000 annually for tourism purposes.

Until now, there has not been a funded sub-regional marketing initiative. With Haida Gwaii experiencing significant growth in tourism product, the time is right to establish and promote a unique brand and market position.

**Implementation Area:** Entire islands of Haida Gwaii, including fishing lodges

**Proposed Implementation Date:** January 1, 2011

**Plan Period:** January 1, 2011-December 31, 2015

**Administration:** The AHRT funds will be remitted to the Province of British Columbia by each qualifying accommodation unit through regular tax submission program. The Consumer Tax Branch will contact the qualifying properties to provide them with appropriate forms and instructions. The tax funds will then be transferred to MIEDS.

**Process used to gain support for AHRT:**

- An information package was gathered which included a dynamic 4 page newsletter, the community tourism plan, this business plan, and the document "AHRT Best Practices"
- MIEDS and HG TAC met individually with accommodation service providers to explain the process of the AHRT, benefits and implications
- Written communication was distributed to all known local tourist businesses explaining the AHRT
- Signatures of support have been collected from qualifying properties (see Appendix)

## SUPPORT ANALYSIS OF QUALIFIED FIXED ROOF ACCOMMODATION PROVIDERS

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Support of at least 51% of the number of accommodation establishments what would collect the AHRT and representation of at least 51% of the total number of rooms is required for approval for the tax. The following table shows the accommodation service providers, the number of rooms and the percentage of support:

<b>Business Name</b>	<b>Includes:</b>	<b>No. of rooms</b>	<b>In Favor</b>
Northern Shores Lodging		14	
Queen Charlotte Safaris	Shingle Bay Lodge	16	
Sandspit Harbour Inn		24	
Gracie's Place		5	
Hecate Inn		19	
Premier Creek Lodging		12	
Sea Raven Motel		37	
Golden Spruce Motel		12	
Engelhard's Oceanview Lodge		18	
Escott Sportfishing Accomo.		5?	
Masset Waterfront Inn		25	
Naden Lodge Inc		6	
Haida Gwaii Lodge		?	
Bayview Garden B&B		4?	
Moresby Island Guesthouse		9	
Seaport B&B		10	
Chateau Norm		4	
Dorothy and Mike's Guesthouse		10	
Spruce Point B&B		7?	
Cacilla's B&B		8	
Riverside B&B		5	
Tlell River House		10	
Chinook Lodge		?	
Gerry's B&B		5	
Ken's Charters and Lodging		4?	
Charlotte Queen Adventures	Hippa Island	10?	
Langara Fishing Adventures	Kumdis River, Alaska View, Langara Is and Langara Fishing Lodges	8+6+40+65 64?	
Oak Bay Marine Group	MV Charlotte Princess, Salmon Seeker, Marabell	?	
Peregrine Lodge	1 Lodge, 3 houses, 3 cabins	72 10?	
Queen Charlotte Lodge	Masset, Charlotte, Totem, Haida House, Queen Charlotte Lodge	6+6+4+4+24 32?	
Samson Fishing Lodge	Samson Marine Lodge	10?	
West Coast Fishing	The Club House, The Outpost, North Is Lodge, Beach House B&B	38+15+24+5 38?	
West Coast Resorts	Inn at Sandspit, Lodges at Engelfield Bay, Tasu Sound and Hippa Island	?+46+36+36 65?	

Total Companies: 33

Percentage of Total Companies in Favour:

Total Rooms: 500?

Percentage of Total Rooms in Favour:

## MUNICIPALITIES AND REGIONAL DISTRICT SUPPORT

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The agreement of all 3 municipalities and 2 regional districts for collection of the ARHT and for MIEDS to administer the tax as the community Destination Marketing Organization (CDMO) is necessary for implementation of the AHRT.

DRAFT

## EXAMPLE OF BY-LAW NEEDED TO PASS

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### Skeena-Queen Charlotte Regional District

#### BYLAW NO.XXXX

A bylaw to establish a service to collect the additional hotel room tax within the **area of Haida Gwaii**

**WHEREAS** the Regional District may, by bylaw, establish and operate a service under provisions of the Local Government Act;

**AND WHEREAS** the Regional District wishes to establish a service for the purposes of collecting a 2% additional hotel room tax to provide tourism marketing and development activities for the **Regional District of Haida Gwaii**;

**AND WHEREAS** the **District of area "D" and "E", the Villages of Masset, Port Clements and Queen Charlotte** will collect a similar hotel room tax and contribute to the tourism marketing and development activities for the **Regional District of Haida Gwaii**;

**AND WHEREAS** in, accordance with **Section 86** of the *Community Charter*, the Regional District of **Haida Gwaii** has received approval from participating area electors under the Alternative Approval Process to proceed with the service;

**NOW THEREFORE** the Board of the Regional District of **Haida Gwaii**, in open meeting assembled here, enacts as follows:

#### 1. CITATION

This bylaw may be cited for all purposes as the "**Skeena-Queen Charlotte** Additional Hotel Room Tax Collection Service Establishing Bylaw No. 772, 2009".

#### 2. SERVICE

The Service hereby established by this bylaw is the collection of a 2% additional hotel room tax to provide tourism marketing and development activities for the **Skeena-Queen Charlotte** Regional District.

#### 3. BOUNDARIES

The boundaries of the Service Area are the boundaries of Electoral Areas '**D**' and '**E**', and the Villages of **Masset, Port Clements and Queen Charlotte** (the "Service Area").

#### 4. PARTICIPATING AREAS

The participating areas are Electoral Areas "**D**" and '**E**', and the Villages of **Masset, Port Clements and Queen Charlotte**.

#### 5. COST RECOVERY

The annual costs of providing the service shall be recovered by one or more of the following:

- (a) revenues raised by imposition of an additional hotel room tax under the authority of the Hotel Room Tax Act; and
- (b) revenues that may be received by agreement, enterprises, gift, grant or otherwise.

**6. LIMIT ON ANNUAL REQUISITION**

No property tax or parcel tax may be imposed for this service.

*READ A FIRST TIME THIS 17<sup>TH</sup> DAY OF FEBRUARY, 2010*

*READ A SECOND TIME THIS 17<sup>TH</sup> DAY OF FEBRUARY, 2010*

*READ A THIRD TIME THIS 17<sup>TH</sup> DAY OF FEBRUARY, 2010*

*APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS DAY OF  
APPROVAL OF ELECTORS PROVIDED THIS DAY OF  
ADOPTED THIS DAY OF*

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SECRETARY

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CHAIR

*FILED WITH THE INSPECTOR OF MUNICIPALITIES THIS \_\_\_ DAY OF \_\_\_\_\_, 2010.*

I HEREBY CERTIFY THE FOREGOING to be a true and correct copy of Bylaw No. **XXX, 2010** cited as "**Skeena-Queen Charlotte** Regional District Additional Hotel Room Tax Collection Service Establishing Bylaw No. **XXX, 2010**" as read a third time by the Board of the **Skeena-Queen Charlotte** Regional District at a meeting held on the 17<sup>th</sup> day of February, 2010.

Dated at Prince Rupert, BC this \_\_\_ day of \_\_\_\_\_, 2010

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John Farrell, Administrator