

1.2 The big picture

It's a global industry

TOURISM IS A GLOBAL INDUSTRY involving 1 out of every 15 people on this planet. It has experienced tremendous growth in the last 40 years, and is considered the number one industry in the world. Tourism has also seen steady growth in the Yukon. It is estimated that in 1996, \$124 million and over 2000 jobs was directly generated by non-resident tourism.

What is the industry?

But what exactly are we talking about when we say “tourism Industry?” To put it simply, it is that whole mix of businesses and agencies that works together to serve the needs of people who travel. Some do this directly, such as bus companies, motels and wilderness guiding companies. Some do this indirectly such as advertising agencies, consultants and government bodies.

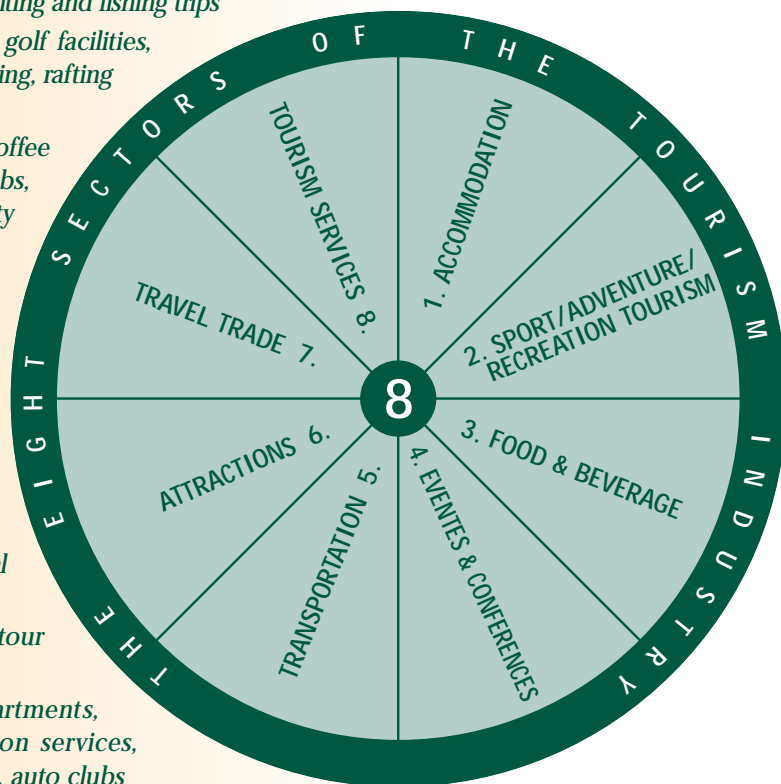
Travel versus tourism

Let's be clear about the terms “travel” and “tourism.” For our purposes, they mean the same thing. Travel/tourism is what happens when people take trips to places away from their home community for any reason except the daily trip to work. The term tourism includes business travel as well as travel for pleasure.

Finding your place

While individual businesses do operate separately and competitively, the fact remains, they are dependent on each other for success. After all, the wilderness tour operator needs the services of airlines, restaurants and hotels among others, to get his clients to his door. Recognition of this interdependence has resulted in the development and sale of travel packages. It is helpful to see how businesses fit into the industry as a whole by categorizing them. Generally, the industry can be divided into eight sectors. Be aware that many businesses fit into more than one of these sectors, and that the listings below are not necessarily comprehensive.

1. Accommodation – Hotels, motels, resorts, cabins, bed & breakfasts, campgrounds, r.v. parks, hostels; the accommodation portion of hunting and fishing trips
2. Sport/Adventure/Recreation Tourism – ski hills, golf facilities, fishing and hunting facilities, hiking, canoeing, kayaking, rafting and dog-sledding
3. Food and Beverage – restaurants, dining rooms, coffee shops, fast food outlets, pubs, lounges, night clubs, cabarets, club facilities, catering operations, specialty food outlets
4. Events and Conferences – special events, meetings/conferences, festivals, trade shows/marketplaces, fairs and expositions
5. Transportation – air carriers, motorcoaches, railways, cruise lines, car rentals, recreation vehicles, taxis, gas stations
6. Attractions – museums, galleries, heritage/historic sites, parks/gardens, amusement/recreation parks, interpretation centres, native/cultural tourism, industrial tourism
7. Travel trade – travel agencies, tour wholesalers, tour operators, tour guides
8. Tourism Services – government tourism departments, information centres, research services, reservation services, advertising agencies/trade press, consultant/tourism, auto clubs



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Tourism and the Yukon	The Yukon has been involved in the tourism industry for at least a hundred years. The Gold Rush brought tourists to see the newly opened country, with rail and steamer excursions offering a comfortable route to the interior. Then as now, a major challenge for tourism lay in extending the traditional, summer tourist season. That challenge continues today as Yukon operators find opportunities and develop products to attract visitors for all seasons.
Highway-based	Since the the Alaska Highway was opened in 1948, the tourism industry has been primarily highway-based. Accommodations and services grew in response to the demand along the main travel corridors and in related communities.
Growth follows demand	The growth of the industry is often associated with specific demand. In the last twenty years, for instance, there has been an increase in motorcoach traffic due to growth in the Alaska cruiseship market. Also recent is the growth of non-highway tourism, particularly wilderness and adventure tourism, plus convention business and sports tourism.
Recent developments	Tourism is a dynamic industry. In recent years, as the number of American visitors to Yukon has declined, the number of European visitors has increased. The number of Canadians has stayed constant. The average age of tourists to the Yukon is decreasing, as the European visitors tend to be younger. It should be noted that many of Yukon's attractions are passive (sightseeing, museums) and don't necessarily meet the current demand for more active pursuits. With these emerging trends, activities or "things to do" are critical to a successful tourism industry.
Demographics	Demographics is a key factor that drives change in the tourism industry. Demographics is the statistical study of specific populations. Our North American population is aging – a greater number of people are joining the older age group as a percentage of the overall population. This is a "demographic change". The Conference Board of Canada's Travel Forecast 2000 predicts that pleasure travelers will be better educated, well traveled, part of the "baby boom" generation, and healthier. They may be willing to spend more, be more adventuresome, and will want "authentic" experiences as much as rest and relaxation. More young families will travel but favor shorter vacations. People in these groups will want products that include cultural and heritage tourism, aboriginal tourism, animal watching, photography, and family renewal experiences.
Customer demand	The change in demographics is affecting customer demand patterns. The fastest growing sector in the industry is Sport/Adventure Tourism. What these travellers are seeking are trouble-free experiences that will add value to their lives. They want experiences that combine romance with culture, education and adventure. Yukon operators have been quick to capitalize on their unique position in being able to offer wilderness adventure. The territory is also well positioned to capitalize on the growing interest in winter tourism products. These products appeal to the more experienced traveller seeking new or different experiences in less crowded conditions. Aboriginal tourism products are also an emerging demand with travellers who are seeking authentic cultural experiences. These travellers want to meet and interact with the culture in a first-hand, un-staged manner. Once again, Yukon has great natural potential in this market.
Yukon growth potential	Yukon is uniquely positioned to take advantage of these opportunities simply because many of its natural attributes are in sync with emerging trends. In order to grow new businesses in these sectors, entrepreneurs will need to focus their efforts on market research that identifies the needs and wants of this emerging market. Then, the work of developing new tourism products to the quality level demanded by international travellers, can begin.

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