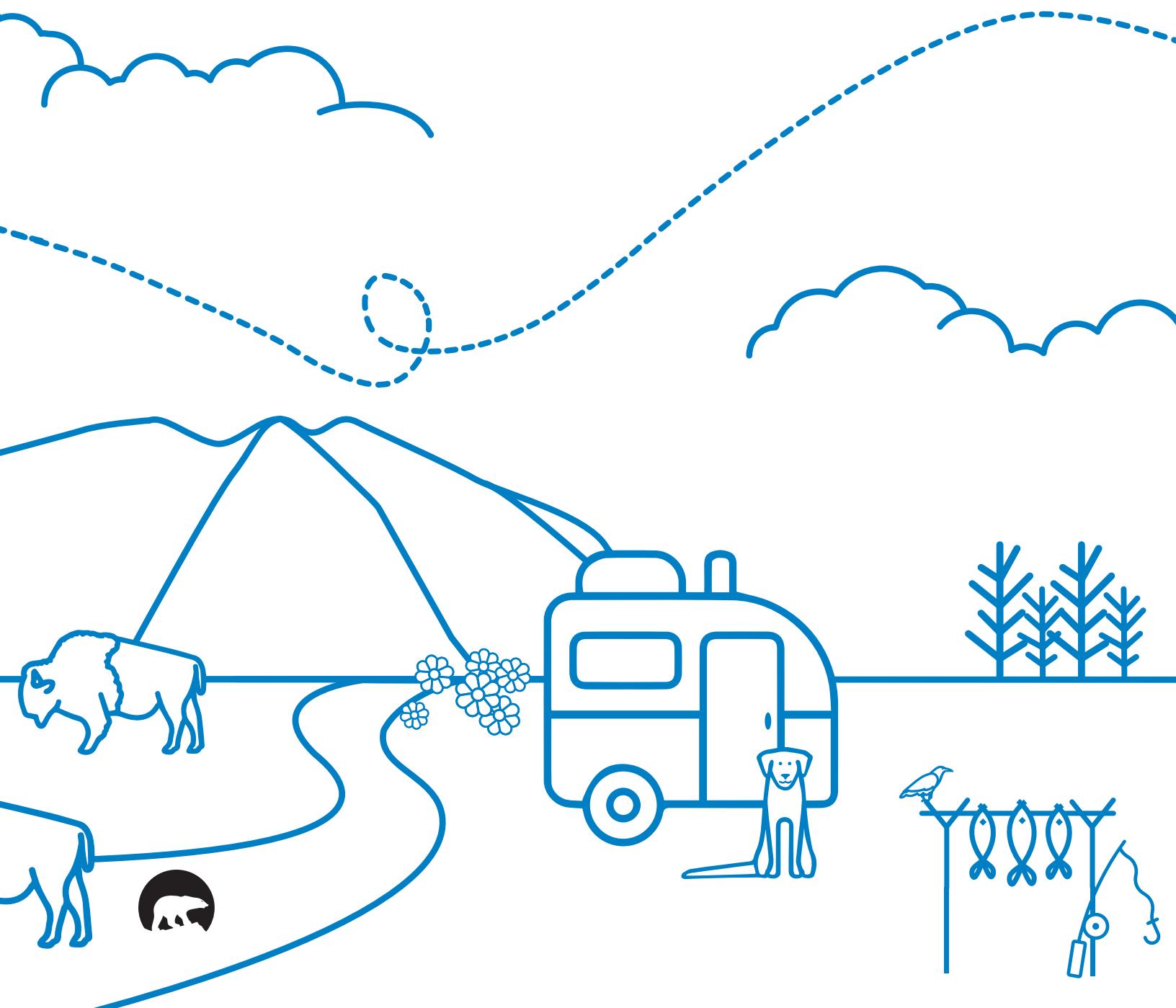


# TOURISM PRODUCT DEVELOPMENT

Government of  
Northwest Territories



If you would like this information in another official language, call us.  
English

Si vous voulez ces informations dans une autre langue officielle, contactez-nous.  
French

Kīspin ki nitawihtīn ē nīhīyawihk ōma ācimōwin, tipwāsinān.  
Cree

Tł̄chǫ yati k'è è. Dı wegodi newo dè, gots'o gonede.  
Tł̄chǫ

Perihtíl's Dëne Sųłiné yati t'a huts'elkér xa beyáyatı theɂą ɂat'e, nuwe ts'én yólti. Chipewyan

Edi gondı dehgáh got'le zhatié k'ę́ edatlı́eh enahddhę nıde naxets'ę́ edahlı.  
South Slavey

K'áhshó got'íne xədə k'é hederi ḡedjhtl'é yeriniwé ní dé dúle.  
North Slavey

Jii gwandak izhii ginjìk vat'atr'ijahch'uу zhit yinohthan jì', diits'at ginohkhii.  
Gwich'in

Uvanittuaq ilitchurisukupku Inuvialuktun, ququaqluta.  
Inuvialuktun.

Հետեւ սուբյեկտ արդյունք ձգեցնելու, դրանք դիմումները լուրջ արդյունք են:

Hapkua titiqqat pijumagupkit Inuinnaqtun, uvaptinnut hivajarlutit.  
Inuinnaqtun

Indigenous Languages Secretariat: 867-767-9346 ext. 71037  
Françophone Affairs Secretariat: 867-767-9343

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# Introduction

Hello and welcome to the *Tourism Product Development* workbook. Here you will learn all about product development and how it can support the growth of your tourism business, the NWT tourism industry, and your community.

Product development is an important part of growing the tourism industry here in the NWT. This resource is just one of the ways that the GNWT Department of Industry, Tourism, and Investment (ITI) supports growing tourism businesses and operators just like you.

In this workbook, you will learn how to develop a product based on the different types of visitors, their motivations for travel, their travel values, and their countries of origin. You will also learn about community-based tourism, Indigenous tourism, and eco-tourism for a tourism industry that remains equitable and sustainable for everyone involved. You will also complete activities that will help bring you closer to developing your own tourism product.

The training does not end here though. Once you have your tourism products developed, you may be ready to market them to your target audience or even develop strategic partnerships with other operators to create custom tourism packages. Keep in touch with your regional tourism officer to stay informed about other training or mentorship opportunities to support your growing business.



# Tourism Product Development

Tourism product development means bringing new and innovative products, experiences, and services to the market for tourists to buy. Product development can take many forms. For example, you have identified a gap in the current marketplace and decide to develop a product or experience to meet the demand. Product development could mean developing a product or experience that is already being offered in the area but is new to your business. Or, if you are already a tourism operator, you may be looking to expand your existing tourism offerings to include additional services, experiences, or tangible products such as souvenirs.

There are many stages of product development, but they all begin with identifying a need in the marketplace. Once you have identified the need for a particular product, you will want to come up with a concept or idea. You will then want to create a plan for how you will bring your idea to life. You will have an opportunity within this booklet to generate product ideas, learn how to develop a product based on your target market, and create a plan for turning your ideas into products.

Developing products that are tailored to visitors' needs will improve the profitability of your tourism business. Making more products available to tourists will increase the length of time that they stay in the NWT, increase the amount of money they spend, and encourage new and repeat visitors.

## What Exactly is a Tourism Product?

A tourism product is a good, a service, or a package of goods and services for people to purchase while visiting a new destination. Tourism products and services help visitors explore the destination that they are visiting by offering them the chance to view attractions, shop for souvenirs, take tours, or purchase experiences. Tourism products are much more than just the tangible souvenir tourists take home to their friends and families; they are the experiences that they have in the NWT and at your business. As a tourism operator, you supply the tourism products. For example, say you are the owner and operator of the Mountain Biking Tour Company, which provides biking tours to active cyclists. Your tourism product would then be mountain biking tours. Keep this company in mind as we will refer to this in later examples.

## Developing New Tourism Products

Sometimes product development involves creating a totally new experience. It may also involve expanding or enhancing an existing product. Expansion of products can focus on new tourist markets, improved product lines, or seasonal experiences. You may want to expand your business by offering a diverse array of tourism products that cater to different types of tourists. This could improve sales, strengthen your current market position or take advantage of new market opportunities. Some examples of product expansion or enhancements include:

- Expanding a service into a new season
- Offering winter gear rental as part of the service
- Hotel pick-ups and drop-offs

To develop a new or innovative product, it is helpful to have a thorough understanding of current market trends, traveller types, motivations, and values.

Some of the things you might consider when developing your product are:

- a personal and business philosophy for why you are developing a tourism product (e.g. you are a cultural knowledge keeper and want to find respectful ways to share your community's stories);
- an understanding of industry trends and market demand (e.g. the Chinese market is growing and you want to include a Mandarin-language tour to your offering);
- the ability to seize opportunities as they arise (e.g. you are a retail store owner and an operator would like to bring a big group of visitors on a Sunday afternoon when you're not usually open);
- a knowledge of visitor needs and buying patterns (e.g. your market research shows that millennials use their phones to do research on a destination so you update your website to be mobile-friendly); and
- familiarization with competitors' products and pricing (e.g. your standard fishing trip is similar to other tourism operators so you price yours slightly lower to be more attractive to cost-conscious visitors.)

Your personal or business philosophy should set the foundation of your product development journey. A personal/business philosophy is simply your inspiration for developing a tourism product; for example, you might believe strongly in providing people with exceptional northern hospitality and therefore you decide to open a bed and breakfast. Understanding who visits the North and why they come is also important, as tourists from one part of the world will have different expectations, customs, and needs than those from another part. Seizing opportunities is also important when developing tourism products because the tourism industry is always changing. It is helpful to have a thorough understanding of current market trends and upcoming trends to adjust your service or product offerings to meet the visitor demand. Also, being aware of your competitor's products and pricing will help you when you are ready to price your products so as to not over- or under-charge.

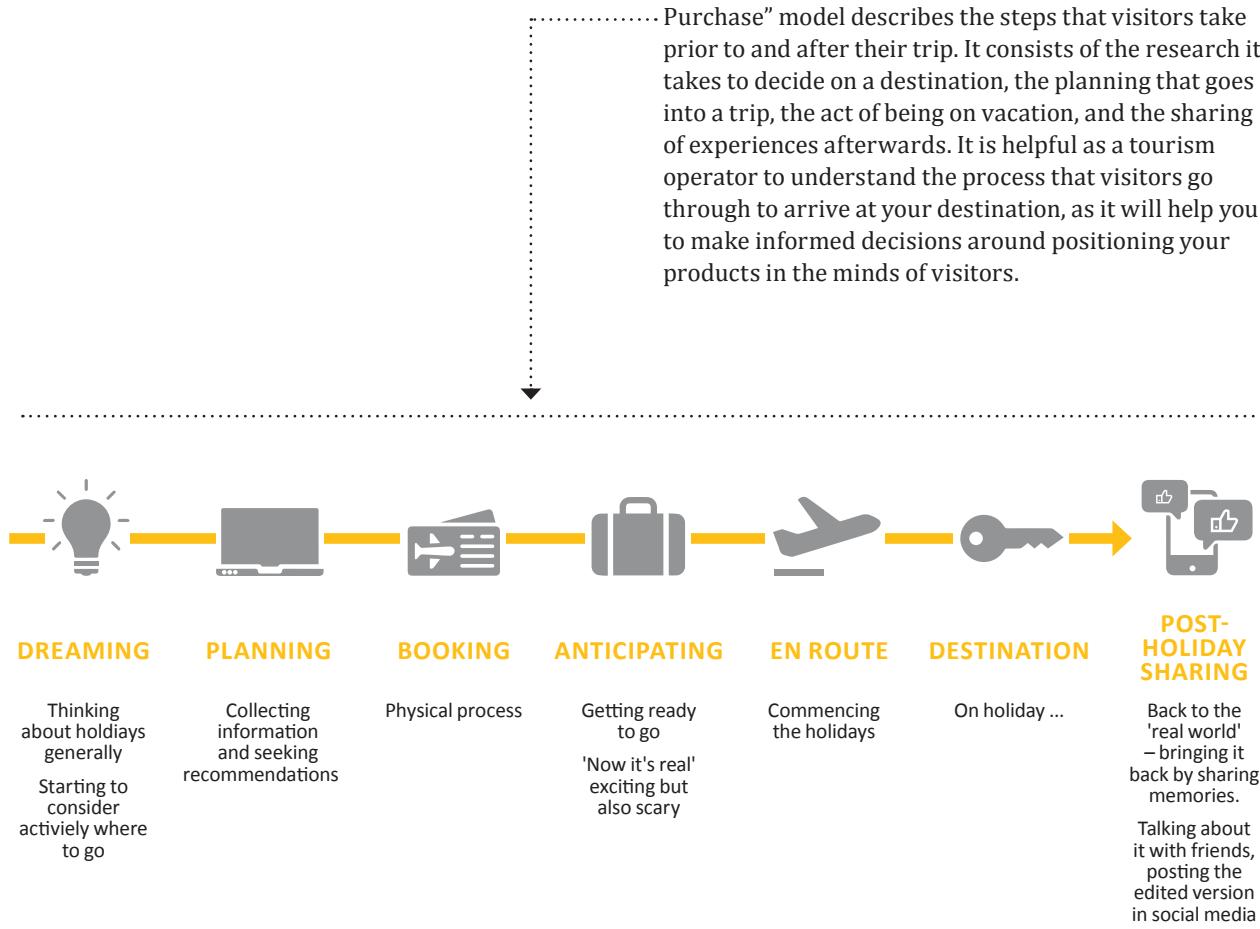
When developing a product, you also need to determine the purpose of the product. Is your desire to educate, develop skills, offer experiential learning, offer opportunities for relaxation, or simply entertain? Product purpose is the reason why visitors buy, and it must be directly linked to what the visitor wants. This want is called consumer demand. Doing your homework will set you and your business up for success. Later on in this workbook, we will take a closer look at tourism industry trends, visitor types and motivations. If you would like to dig deeper into industry trends and visitor types, and how to market effectively based on this information, the GNWT offers a marketing workshop similar to this one. Please contact your regional tourism development officer to inquire about an upcoming workshop or visit [www.iti.gov.nt.ca/en/services/tourism-training-resources/tourism-marketing](http://www.iti.gov.nt.ca/en/services/tourism-training-resources/tourism-marketing)

## Product Positioning

Product positioning refers to where a product or service stands in the minds of visitors and/or how they are able to distinguish your products and services from your competitors. It is a strategy for promoting and marketing your products to your specific target audience.

Today, it is very important to have an online presence. Nearly all your potential visitors will do their travel research online through their computers, smartphones, or tablets. Visitors will check out potential tourism destinations, products, and services before arriving at a destination. If they cannot locate your business through a search engine, like Google, you may lose out on business.

Product differentiation (standing out) from your competitors will be very important during the visitor's path to purchasing your products. The "Path to Purchase" model describes the steps that visitors take prior to and after their trip. It consists of the research it takes to decide on a destination, the planning that goes into a trip, the act of being on vacation, and the sharing of experiences afterwards. It is helpful as a tourism operator to understand the process that visitors go through to arrive at your destination, as it will help you to make informed decisions around positioning your products in the minds of visitors.



Adapted from TNS Travel Model

This means that when a visitor is looking for new and exciting experiences to have in your destination, they will consider multiple options before finalizing their decision. It will be very important for your business and tourism products to stand out from your competitors. Some of the things you can consider to help position your product and your business are:

**Price:** Do you have higher-priced deluxe tours or lower-priced economy tours?

**Product quality:** Do you offer outstanding customer service? Do you rent top quality winter gear?

**Service:** Do you provide hotel pick-ups and drop offs or include a meal as part of the experience?

**Diversity of products offered:** Do you offer a choice of three unique tours?

**Staff quality:** Is your staff qualified, certified, and experienced?

**Product features:** Do you have specialized resource people (language translators), or exclusive or unique opportunities?

**Flexibility:** Can you accommodate customized packages, special departures, or special needs such as dietary restrictions or wheelchair access?

## Product Packaging

Once you have developed your products and are ready to market them to your target audience you may want to consider strategic partnerships to help expand your reach. Strategic partnerships are those that include various tourism products or elements to create one seamless travel package for visitors. A travel package might include return airfares, airport transfers, accommodations, tours and experiences, and meals all for a special price. Travel packages may be tailored to fit certain traveller styles (we will learn about traveller styles a little later).

In addition to this resource, ITI offers another workshop that focuses solely on packaging tourism products. To learn more about product packages and how you can create your own, please contact your regional tourism officer or visit [www.iti.gov.nt.ca/en/services/tourism-training-resources/tourism-product-packaging](http://www.iti.gov.nt.ca/en/services/tourism-training-resources/tourism-product-packaging)



# Growth Strategies

Whether you are a new or existing tourism operator there may come a time when you would like to expand or grow your tourism product offering. While there are many ways to do so, one of the most common ways to grow is through strategic planning. Below we will explore the Ansoff Matrix, a tool used for strategic planning that will provide you with a framework to develop your strategy for product growth or expansion.

## The Ansoff Matrix

There are four elements to the Ansoff Matrix:

- market development strategy,
- market penetration strategy,
- product development strategy, and
- diversification strategy.

Each element is explored in greater depth below. Figure 1 provides a visual summary of how the framework works. Throughout the explanation of this framework, we'll refer to the Mountain Biking Tour Company to outline examples.

As you can see in Figure 1, the business risk increases as you begin to branch out into new markets and new visitors. This is because it is unfamiliar and there is a greater risk involved in entering new markets with new products.

Low risk is remaining in an already established market with established tourism products. For example, low risk would be remaining close to the mountain biking theme, increasing advertising and forming strategic partnerships to expand reach and gain new market shares.

It may be considered high-risk if you were a well-established mountain biking tour company but decide to introduce cross-country skiing tours to expand your business into a new season. Your existing visitors may not be interested in cross-country skiing and you would be required to gain a totally new visitor base to participate in your tours. The risk is high because cross-country skiing may not be what your business is known for and visitors could be hesitant to purchase.

**Figure 1**



## Market Development

Market development appears on the low-risk side of the Ansoff Matrix. It is concerned with maximizing profitability by attracting new visitors for your products or tailoring your existing products to satisfy new visitors. For example, let's refer to the Mountain Biking Tour Company again. Say you cater to active and adventurous cyclists between the ages of 25 and 40. You operate tours in the early mornings and into the afternoon. However, you find that your bikes go unused in the evening, so you come up with an idea to maximize their potential. You may consider branching out to include family cycling tours in the evening. The mountain biking theme remains consistent, but you have sought out a new user group to grow your business into a new market.

In both product development and market development, the risk is relatively low because you have some familiarity with one side of the equation or the other. This allows you to make some assumptions and predictions that help with matching visitors' needs to product benefits.

There are two market development approaches outlined in the Ansoff Matrix: market penetration and market-driven product development.

## Market Penetration

Market penetration is a growth strategy that involves selling your existing products or services to your existing target markets to achieve a higher market share. Market penetration techniques encourage visitors with interests in similar products to purchase yours instead of your competitors'. Some of the ways to achieve market penetration include: lowering your prices to make them more attractive to visitors, increasing promotions and offers to entice buyers to purchase, and expanding your reach by making strategic partnerships. Increasing awareness of your products will help position your business in the minds of visitors, which will increase the likelihood of them purchasing your product.

We mentioned earlier that strategic partnerships as a way to achieve a greater reach in your target market. Strategic partnerships occur when two or more organizations form an alliance to provide a seamless experience for the visitor. Let's return to the Mountain Biking Tour Company example. Currently, biking tours

occur in early morning and again in the early afternoon for about two hours each. You have noticed that there are some really interesting craft stores and restaurants in the town in which you operate. You may decide to approach one or more of the stores or restaurants to offer a longer biking tour with stops along the way at a few craft stores and a snack or beverage break in the middle. You could then advertise a package biking tour as a full- or half-day excursion with planned stops to experience more of the destination. This would also increase the reach of each party involved as they could potentially gain access to visitors they never had before. For the visitor, they would receive a total package deal for one all-inclusive price, creating less planning and work for them and more time and access to places they might not have stopped before.

For more on product packaging please contact the tourism development officer in your region to find out when the next product packaging workshop is taking place or visit [www.iti.gov.nt.ca/en/services/tourism-training-resources/tourism-product-packaging](http://www.iti.gov.nt.ca/en/services/tourism-training-resources/tourism-product-packaging)



## Market-Driven Product Development

Market driven product development means your preferences, impression and desires are not what will determine your product. The goal of product development is to make a product offering that matches your target market. The first step is to understand your market. Some of the things you can do to help this process are:

- Do your research.
- Ask questions.
- Look at your competition.
- Reach out for help from marketing experts.

There are a number of organizations and resources available to new tourism operators. Northwest Territories Tourism (NWTT) is the NWT's destination marketing organization (DMO). NWTT will have access to up-to-date industry trends and research. NWTT is a membership organization and can assist you in many areas such as marketing your business, giving you access to their research findings, and sharing industry trends with you.

In addition, the Tourism Division at ITI offers numerous programs and services to help new and growing tourism operators access funds to help start or grow their businesses. ITI provides training opportunities for tourism business owners and their staff to access visitor service training, information on starting a tourism business, and/or safety courses such as marine and water safety, and risk management. The Research Unit produces statistical reports on a variety of topics related to visitors. These reports are available through the ITI website through the publications page ([www.iti.gov.nt.ca/en/publications](http://www.iti.gov.nt.ca/en/publications)).

## Tourism Product Development

As you move to the right side of the Ansoff Matrix, the growth strategies focus on product development. This workbook has already provided a lot of introductory information on product development, so to complete the discussion of the Ansoff Matrix, we'll focus on the strategy of diversification.

### Diversification

Tourism product diversification is the process of expanding, reinventing, improving, or growing your existing product offering by developing new or altered products for both new and existing visitors. Diversification is important because it creates value and options for the visitor ultimately catering to a wider range of tourist interests, values, and travel motivations. Diversification also promotes growth by offering a wider range of product offerings. This strategy also introduces the most risk as you may be exploring new products and new markets at the same time. Later in the workshop, we will talk about market research, which will help to inform your decisions and ideally decrease the risk.

Let's take a look at the mountain biking example again. This time you decide that you want to sell a rock climbing experience to teenagers. Rock climbing is not within your current product offerings and you currently do not market to teenagers, so by entering this market you are diversifying your business to offer a product you have never offered before to a new market. If we think back to what we have learned about venturing into new markets, we might remember that the risk is high in this case, but, with good research to inform this decision; this new direction is also exciting.





## Exercise 1

Thinking about what we've covered so far about product development, answer the following questions to help you refine one of your product ideas.

Do you have an idea for a product? What features will this product include?

Where do you expect visitors to use this product?

How much do you expect your visitors to pay for this product?

What is your initial plan of how to position this product in the market?

What is this product's advantage over the competition?

How do you expect to promote this product?

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Now that you've spent some time thinking about how to develop your product, the next step is to find out what motivates your visitors, what they value, and what benefits they will take away. Understanding your target market is critical to the success of your tourism product. Once you know who is coming, you will be ready to further refine the services, products, and facilities for your guests.



# Target Markets

## Who is Coming to the NWT?

Visitors to the Northwest Territories come from across Canada as well as from around the world. They come for different reasons, and they look for different experiences.

Northwest Territories Tourism (NWTT) is the territory's destination marketing organization (DMO). The DMO is responsible for marketing the NWT as a world-class destination. NWTT markets the Northwest Territories in each of the countries listed below by attending travel and trade shows, conducting advertising initiatives, and partnering with both public and private sectors. Below is a list of the countries that visit the NWT. NWTT markets the NWT as a tourist destination in these same countries.

PRIMARY MARKETS	POPULATION AND WORLD ECONOMIC RANK	BACKGROUND
Canada	<b>Population:</b> 35.2 Million <b>Ranked:</b> 10th Largest Economy	Like most other travel destinations across the country, Canada is the primary market for the Northwest Territories, resulting in between 60% to 80% of travellers to the NWT.
Japan	<b>Population:</b> 126.7 Million <b>Ranked:</b> 3rd Largest Economy	The Japanese have been travelling to Yellowknife for over 30 years now. The destination is well known in Japan. The aurora and natural attractions are the big travel motivators for the group.
China	<b>Population:</b> 1.4 Billion <b>Ranked:</b> 2nd Largest Economy	China is Canada's third largest market in terms of arrivals, and second in terms of visitor spending
United States	<b>Population:</b> 325.4 Million <b>Ranked:</b> 1st Largest Economy	The United States is Canada's biggest source of international visitors.
South Korea	<b>Population:</b> 51.4 Million <b>Ranked:</b> 11th Largest Economy	A thriving economy, a favourable currency, and increased air travel capacity supported a 17% increase in travel to Canada in 2017.
Germany	<b>Population:</b> 82.3 Million <b>Ranked:</b> 4th Largest Economy	According to DC research, Canada currently ranks third, behind the United States and Thailand, in terms of consideration for a long haul vacation by German travellers.

*Source: NWTT 19/20 Marketing Plan*

## SECONDARY MARKETS

Australia	<b>Population:</b> 24.7 Million <b>Ranked:</b> 13th Largest Economy	Australians are avid travellers and are willing to part with their money for a dream vacation.
France	<b>Population:</b> 67.1 Million <b>Ranked:</b> 7th Largest Economy	France remains one of the largest overseas markets for Canada.

## EMERGING MARKETS

Mexico	<b>Population:</b> 123.7 Million <b>Ranked:</b> 15th Largest Economy	Following the removal of the mandatory travel visa requirements, Mexican visitors to Canada increased by 47%. Much of this growth has also been attributed to a significant increase (71%) in direct air access to Canada.
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## Understanding your Target Market

Understanding your target market is an important step in developing successful tourism products. Similar to NWTT, which markets the Northwest Territories as a destination nationally and internationally, Destination Canada (DC) does the same for Canada. The markets we learned about above are all the places that DC markets Canada as a destination, and NWTT partners with DC to strengthen our marketing message.

To better understand Canada's target markets, DC developed a market segmentation system based on the science of psychographics. Psychographics is an evolution of the traditional demographics used to identify and communicate to target markets. Instead of just dividing travellers into groups based on age, income, gender, family status or education level, all of which is useful information, psychographics looks deeper at people's social values and views of the world. This system, developed in partnership with the Environics Research Group, is called the Explorer's Quotient (EQ). The focus of EQ is specifically on the travel market. (NWTT 19/20Marketing Plan)

Markets are broken down into psychographic markets (attitudes, beliefs and values) and geographic (location) markets. This approach allows us to develop a thorough understanding of these market segments, and to determine what markets are a match for the tourism products and services offered in the Northwest Territories. Below you will find a breakdown of each of the traveller segments to give you a better idea of who is visiting the NWT and help you decide who your specific target market might be (NWTT 19/20 Marketing Plan)

### **Free Spirits: 13% of the Global Market**

Free Spirits are highly social and open-minded. Their enthusiasm for life extends to their outlook on travel. Experimental and adventurous, they indulge in high-end experiences that are shared with other.

### **Cultural Explorers: 12% of the Global Market**

Cultural Explorers are defined by their love of constant travel and continuous opportunities to embrace, discover and immerse themselves in the culture, people and settings of the places they visit.

### **Authentic Experiencers: 9% of the Global Market**

Authentic Experiencers are typically understated travellers looking for authentic, tangible engagement with destinations they seek, with a particular interest in understanding the history of the places they visit.

### **Personal History Explorers: 13% of the Canadian Market**

As travellers, Personal History Explorers are primarily defined by their desire to connect to their own cultural roots—and do so by travelling in comfort, style and security.

### **No-Hassle Travellers: 10% of the Canadian Market**

No-Hassle Travellers are cautious, dutiful and reserved people who seek secure group travel that allows them to escape from the duties and obligations of everyday life.

### **Rejuvenators: 6% of the Canadian Market**

Rejuvenators are family-oriented people who travel with others to escape from the stresses of everyday life to get pampered and indulge themselves.

### **Gentle Explorers: 25% of Canadian Market**

Gentle Explorers are primarily defined by their reluctance to venture far beyond the comfort of home and travel "on condition," demanding the very best and most comfortable environments for themselves when they must do so.



## Exercise 2

**Important Note:** Internet access will be needed for this quiz. The results can be printed.

Now that we have learned about the different types of travellers, let's take a short quiz to find out what type of traveller *you are*. Destination Canada's Explorer Quotient Traveller Type Quiz will help you to understand the type of traveller you are and what is important to you when travelling. This insight will help you make informed decisions when developing your tourism products for the different types of travellers, allowing you to tailor the service and product to the different traveller values.

The quiz can be found at this link: [quiz.canada.travel/](http://quiz.canada.travel/)

Now, take the quiz again and think about who is coming to experience your products. Answer the questions again as if you are one of those visitors. Do the results of this quiz resemble any of the traveller types described above?



# Tourism Trends

Tourism trends are described as the general direction in which the tourism industry is developing or changing. They have the potential to influence the types of tourism products you develop as well as the type of visitor that comes to the NWT. In this section, you'll be introduced to equitable (sustainable) tourism, Indigenous tourism, and eco-tourism. It is helpful to be aware of these trends (and other trends that may arise in the future) in order to capitalize on the opportunity. Considering ways in which you can include equitable (sustainable) tourism, eco-tourism, or Indigenous tourism values is a great first step in developing "on-trend" tourism products.

## Equitable Tourism

Equitable tourism development is defined by tourism values that put local people at the forefront of tourism industry development. It emphasizes the important role that local people play in sustainable tourism development in communities. The involvement of local populations in the different phases of the project, respecting the people, their culture, nature and a more equitable distribution of all resources generated, are the foundation of this type of tourism (SITV).

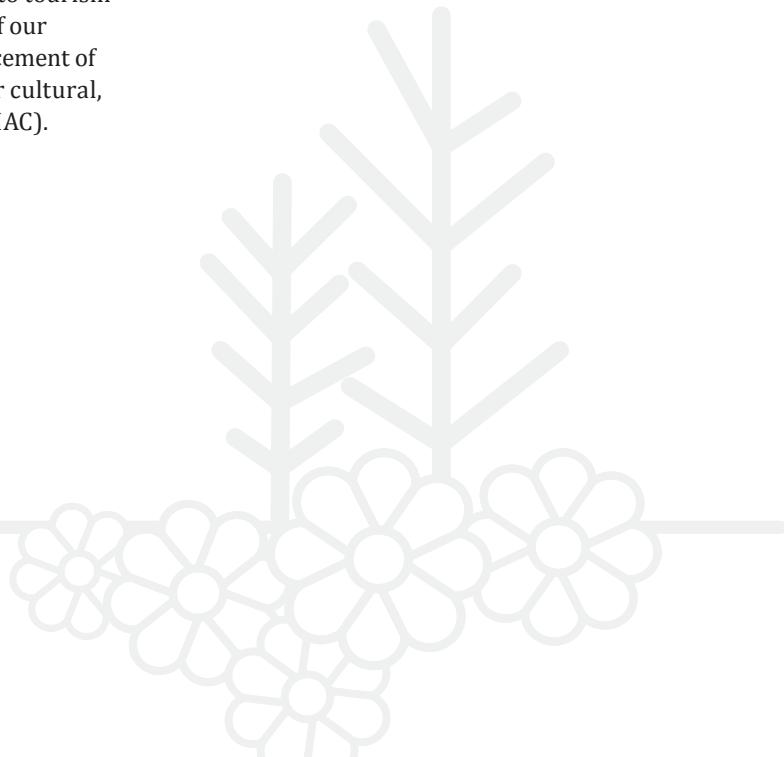
Sustainable tourism is a long-term approach to tourism that depends on wise use and conservation of our natural resources; the protection and enhancement of our environment; and the preservation of our cultural, historic, and aesthetic resources (beauty) (TIAC).

The ability to develop and operate tourism businesses that are both equitable and sustainable is crucial to the long-term viability and market image of the industry. In considering our mountain biking company example, let's look at ways that we can incorporate equitable and sustainable tourism values into our tourism business:

- Hire local employees.
- Mentor local youth.
- Encourage your guests to buy local arts and crafts.
- Incorporate some aspect of local culture into the tour.
- Donate a portion of the proceeds to community beautification.
- Consult the community and its members on new projects.

Can you think of other equitable values that could add to your specific tourism product?

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_



## Community-Based Tourism

Community-based tourism (CBT) is a form of sustainable tourism that allows visitors to connect with locals and the communities they visit to experience first-hand how locals live. It is completely immersive. CBT might entail opening your doors to visitors for short-term accommodations like homestays or bed and breakfasts (B&B), taking guests to community celebrations, feasts, or dances, or providing tours in and around the community, highlighting places of significance.

This form of tourism puts locals in charge, is authentic, and benefits the community as a whole. CBT creates entrepreneurial opportunities, invigorates and diversifies the local economy, creates jobs, opens up opportunities for training and education, supports the preservation of local culture and traditions, and showcases the rich and vibrant culture of the locals.

It also provides visitors with an up-close-and-personal experience with you and your community. This approach sets up communities to plan for investments in improvements like walking trails, signage, campgrounds, and communal spaces.

CBT is developed and managed by the people, for the people. It succeeds when community members, businesses and governments work together to assess, plan, and implement tourism products and activities in ways that respect local traditions. CBT planning is different from individual business planning because the goal is to involve, engage and benefit the whole community, rather than just one business. Preparing a community for tourism will benefit private businesses as well as the residents of a community because it can encourage visitors to stay longer in a community and increase the economic benefits.

The NWT is comprised of many First Nation, Inuit, and Métis communities. Each community has something unique to offer visitors and all are authentic experiences. All of the communities within the NWT have the potential to develop successful CBT; however, it may take a lot of planning, community engagement, and support among residents to develop it successfully. In the NWT, Indigenous tourism and CBT go hand in hand. Visitors today are looking for authentic, immersive, and engaging Indigenous cultural tourism, and they want to see and experience your way of life first hand. We will look in greater depth at Indigenous tourism and how to incorporate Indigenous cultural tourism into your community's tourism strategy or plan.

Are there opportunities for product development that could involve multiple community partners? What are the benefits?

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## Indigenous Cultural Tourism

The NWT is home to the Inuit, Métis, and First Nations people, all of whom have vibrant languages, cultures, histories, and traditions. Indigenous people in the NWT still live land-based and traditional lives, hunting, trapping, fishing, or harvesting to provide for their families. However, Indigenous people do not live in the past: while some live traditional lifestyles, others live in urban centers. Tourism is just one of the ways to showcase the diverse, rich, and vibrant cultures of the NWT's Indigenous people.

Indigenous tourism is an opportunity for both Indigenous and non-Indigenous people to connect with Indigenous culture and heritage. Indigenous tourism fosters respectful cross-cultural exchanges between hosts and visitors. It is also an opportunity for Indigenous economic diversification, job creation, education, training, and entrepreneurship. In addition, Indigenous tourism has the potential to connect youth with Elders: a connection integral to protecting, preserving, and passing down Indigenous teachings and worldviews.

Studies show that visitors are increasingly interested in participating in some aspect of Indigenous culture during their vacation. When Indigenous groups plan and deliver their own cultural tourism, visitors experience aspects of Indigenous culture in a way that is appropriate, respectful, and authentic. In partnership with the GNNWT, the Aboriginal Tourism Champions Advisory Council (ATCAC) developed the following definition for Indigenous cultural tourism for the NWT:

**Indigenous cultural tourism:** An experience offered to visitors in a manner that is appropriate, respectful and true to the culture of Indigenous people of the Northwest Territories. Authenticity is ensured through the active involvement of Indigenous people in the development and delivery of the experience or through their endorsement

Research shows that there is a direct relationship between travellers who want to experience nature and the outdoors and travellers who participate in Indigenous cultural tourism experiences. Travellers are looking to experience the essence of a destination. They want to meet the people, taste the food, see the landscape, and share in the unique ways the people live their lives. Indigenous cultural tourism can make

encounters with the NWT's outdoors exceptional. There are opportunities to develop tourism product that offers both—beautiful and pristine landscapes, and vibrant and distinctive Indigenous cultures. And there are many more ways to include Indigenous culture in tourism products.

Remember our mountain biking tour company? Here are some different ways to include Indigenous cultural tourism in the product:

- Understand the Indigenous tourism industry, cultural tourists, authentic experiencers.
- Hire Indigenous guides and staff.
- Use and teach Indigenous words for people, places, and things.
- Involve culture keepers (Elders).
- Develop partnerships with Indigenous businesses to showcase culture and cultural product.
- Create a cycling tour with a focus on Indigenous history, culture, and traditions, and involve the community in the planning and implementation process.
- Give back to the betterment of the community.
- Encourage guests to purchase locally made handicrafts and souvenirs.

Indigenous tourism and Indigenous tourism products are seen as environmentally-friendly, sustainable development that has the added benefit of building pride for Indigenous people of the North by sharing their rich culture with the world. If you are interested in Indigenous tourism and how you can develop and offer authentic Indigenous tourism product, please contact your regional tourism officer or visit:

[www.iti.gov.nt.ca/en/indigenous-tourism](http://www.iti.gov.nt.ca/en/indigenous-tourism)

Considering the definition of Indigenous cultural tourism, think of one way in which Indigenous culture could be integrated into your tourism product.

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## Eco-Tourism

Eco-tourism is considered non-consumptive, purposeful travel that is respectful of cultural and natural history, while safeguarding the integrity of the ecosystem and producing economic benefits that encourage preservation. The difference between consumptive and non-consumptive travel is the amount of destruction, waste, or acquisition of resources used while in a destination. The primary philosophy of eco-tourism seeks to use less, minimize impacts, and preserve the natural world and all who live there. Eco-tourists are concerned with making minimal impact at their chosen destinations and actively look for opportunities to contribute positively to local groups, mostly by purchasing goods and services that directly benefit the people who live in the area.

Wildlife viewing is one of the most common activities of eco-tourists, with viewing plants and vegetation an important secondary one. Spring and summer are the busiest times for these activities, but other seasons offer unique experiences as well. Winter, for example, provides opportunities for animal tracking, while both spring and fall are excellent times for bird watching during migration periods.

The NWT is home to many species of wildlife, vegetation, and cultural groups, making it a prime destination to implement eco-tourism. This type of tourism is a great opportunity to showcase this great and magnificent land. Some of the ways you can incorporate eco-tourism values in your tourism product include:

- Reduce, reuse, and recycle.
- Limit the number of guests to sensitive ecosystems.
- Take from the land only what you need.
- Include local communities through opportunities to participate, sell handicrafts, or share Indigenous value systems.
- Respect wildlife-viewing regulations and remain a safe and respectful distance from all wildlife.

While eco-tourism is often viewed as more sustainable than traditional tourism due to the emphasis on preservation, it can easily become a marketing gimmick. It is important to remember why it is important to implement true eco-tourism values into your product and to continuously put in the effort to protect and preserve our land for future generations.

**Is eco-tourism part of your tourism product? If yes, how? If no, could it be?**

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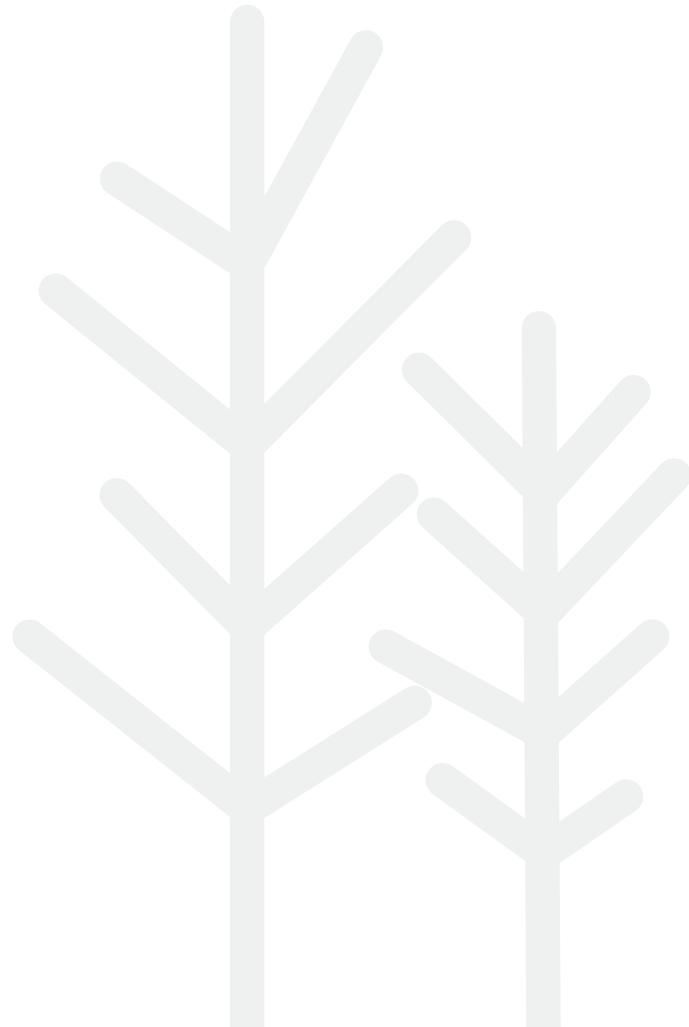
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## Exercise 3

Consider the community you live in and ask yourself the following questions to help you fill in the first column of the table below:

- What resources does my community already have? (Accommodations, restaurants etc.)
- What infrastructure is already in place? (Hiking trails, signage, campgrounds etc.)

Then, for the second and third column, think about a possible product or tourism idea for the asset and who may be involved in developing that product.

**Important note:** Your community may already have completed an asset inventory, which you may be able to access. If you are interested in learning about the tourism development work that has already been done in your community, contact your regional tourism development officer or your local economic development officer for more information.

COMMUNITY ASSET	TOURISM IDEA	PEOPLE, BUSINESSES, OR GOVERNMENTS TO INVOLVE
e.g., Walking/hiking trails	Nature walk with local Elder with Indigenous knowledge Signage for directions and for information	ITI Parks Departments, park rangers, Elders
e.g. Local artisans/Elders	Beading, sewing, traditional story telling	Local Elders, seamstresses, community government

# Product Considerations in the NWT

There are some special considerations you may need to make before you begin offering tourism products and experiences in the NWT. First, you will need to ensure you have been approved for a Tourism Operator Licence (TOL) and have the necessary permissions to operate in a specific area. In addition to this, there are other permits, licences, and permissions you may require depending on the type of tourism products you provide. Below is a breakdown of the tourism requirements you may need to consider as a new or existing tourism operator. These requirements are set out by the GNWT and are designed to ensure that the tourism industry is safe and enjoyable for everyone. Your regional tourism officer will be able to help you identify which permits or licences apply to you.

## Government Regulation

All guided commercial tourism activities offered in exchange for money in the NWT require a Tourism Operator Licence (TOL) according to the eligibility requirements to hold a TOL are outlined in the Tourism Regulations ([www.justice.gov.nt.ca/en/files/legislation/tourism/tourism.r1.pdf](http://www.justice.gov.nt.ca/en/files/legislation/tourism/tourism.r1.pdf)), which complement the *Tourism Act* ([www.justice.gov.nt.ca/en/files/legislation/tourism/tourism.a.pdf](http://www.justice.gov.nt.ca/en/files/legislation/tourism/tourism.a.pdf)).

The *Tourism Act and Regulations* govern the tourism industry in the Northwest Territories and are administered by ITI. It will be your responsibility to ensure that you are licensed to operate within the NWT before you market your tourism products.

## Safety Plans

Safety is a priority for the tourism industry in the NWT—for visitors and tourism employees alike. When developing tourism products, it is important to consider and mitigate all potential safety hazards and emergencies. Safety plans are detailed documents that may include but not be limited to the following:

- name of tourism activity;
- description of tourism activity;
- tourism activity, step-by-step;
- hazard identification;
- hazard mitigation; and
- equipment and vehicles required in this tourism activity.

Detailed safety plans are required under the *Tourism Act* for all Tourism Operator Licences. It is your responsibility as a tourism operator to ensure that you have an up-to-date safety plan and you and your staff have reviewed it and feel able to respond in an urgent situation.



## Risk Management

Risk is the potential for loss or harm. This can involve people (death, injury, illness), property, or reputation/credibility. Ultimately, it is the chance that something bad will happen. Risk management refers to the steps we must take to reduce the chance of something bad happening.

We want people to have safe and enjoyable experiences. Also, we are often working with people who have little to no experience doing the activity we are leading. It is important that we take extra care. As tourism operators, you want to avoid harm to your visitors or staff. You also want to protect your reputation, your property, your business, and the NWT tourism industry as a whole. Bad media about one bad or unsafe incident can have wide-reaching negative effects. Also, some risk management is required by law. For example, you are required to abide by Transport Canada regulations when you transport visitors in a vehicle, such as a having special driver's licence for vehicles carrying over 14 passengers and a licence plate starting with "C-" to indicate a commercial vehicle.

It will be helpful to incorporate risk management planning in your product development process. You can do so by accessing training offered by ITI on risk management. The training explores the concepts of *analyze, manage, and inform* through a series of exercises that require looking closely at the proposed tourism products and identifying potential risks and outcomes, as well as ways to eliminate or minimize the risk. For more information on how you can access this training please contact your regional tourism development officer or visit

[www.iti.gov.nt.ca/en/services/tourism-training-resources/risk-management-training](http://www.iti.gov.nt.ca/en/services/tourism-training-resources/risk-management-training)

## Land Access – Consultation Process

Many tourism businesses rely extensively on access to public or private lands in order to operate. For example, a guided hunting outfitter may rely on access to private lands owned by one of the Indigenous groups within the territory. Access to private, public, or Commissioner's land must be approved with the appropriate permissions, permits and licences before you can operate within them.

As part of the Tourism Operator Licensing (TOL) process, you will need to undergo an extensive consultation process if you would like to operate your business on private lands. Consultation is a very important part of the application process. Before your TOL can be issued, the Licence Administrator must consult with Indigenous organizations, existing tourism operators, local band and municipal councils, and/or other individuals or groups that may be impacted by your proposed tourism activities.

The Department of Lands (Lands) is responsible for the management and administration of all public lands in the Northwest Territories (both Territorial and Commissioner's land). Lands regulates land use through land use initiatives, administration, permitting and security, compliance and enforcement, and planning. It is important for you as a tourism operator to ensure that you have all of the necessary permits and permissions to operate tourism products on lands within the NWT. For more information on the different permits and licences you may need as a tourism operator within the NWT, please refer to the *Tourism Operator Licensing Manual* or contact your regional tourism development officer.



## Exercise 4

Congratulations! You made it to the end of the workbook and this is your final activity.

Write a brief overview of your tourism product idea, considering the following questions, which recall the key topics we looked at. Some of these may not presently be clear to you, but answer to the best of your ability and then return to the exercise as the concepts are explored further.

- Your philosophy. (What is your vision for the product? What's important to you?)
- Opportunities that exist. (Refer to your asset inventory.)
- Tourism trends related to your product. (Equitable, community-based, etc.)
- Main purpose of your product.
- Market demand for your product. (Research.)
- Knowledge of competition. (Who else? Pricing? etc.)

# Next Steps

Now that you have an idea of who your target market is and how to develop a product based on their values, you are ready to turn your ideas into reality. The first step now is to ensure that you are licensed to operate a tourism business here in the NWT and have all of the necessary permits, permissions, and licences. Once this is done and you have been approved, you can begin to develop and deliver your tourism products to your visitors.

## Government Support

The GNWT Department of Industry, Tourism and Investment (ITI) works in partnership with NWT Tourism to promote the NWT as a “spectacular” world-class destination. Tourism is an important part of the Northwest Territories’ economy and is considered the largest renewable-resource based industry in the NWT. Tourism is one of the few industries that has the potential to drive economic growth in every region. Within the NWT economy, tourism brings in new dollars and generates employment for many NWT residents.

ITI supports the growth of tourism through access to numerous financial resources and supports, training opportunities, and mentorship programs. Programs and services through ITI can assist your tourism business in the areas of marketing, mentorship, Indigenous tourism development, community and industry engagement, infrastructure, skills development, research and planning, and product development.

Once you have all of the necessary permits and licences in place, you may be interested in applying for funding through one of the many programs that ITI offers to support growing tourism operators like you. There are programs and services to suit the diverse range of needs of tourism operators in the NWT.

To find out more about each of the programs and eligibility, please see the *Tourism Programs and Services Catalogue* ([www.iti.gov.nt.ca/sites/iti/files/tourism\\_programs\\_services\\_catalogue\\_eng\\_webready.pdf](http://www.iti.gov.nt.ca/sites/iti/files/tourism_programs_services_catalogue_eng_webready.pdf)), visit the ITI tourism programs and services website at [www.iti.gov.nt.ca/en/services](http://www.iti.gov.nt.ca/en/services) or contact your regional tourism development officer.

ITI is committed to showcasing the success of NWT tourism operators and individual businesses on the ITI website and blog. If you are interested in reading about other tourism operators that have found success through ITI tourism programs, check out ITI’s blog at [www.iti.gov.nt.ca/en/newsroom](http://www.iti.gov.nt.ca/en/newsroom)

Lastly, if you are interested in training opportunities similar to this one, ITI offers self-guided and one- or two-day workshops to help you grow your skills as a tourism operator. Available topics include:

- Starting a Tourism Business,
- Marketing Your Tourism Products,
- Product Packaging,
- Customer Service (NorthernMost Host), and
- Risk Management

Visit the ITI website ([www.iti.gov.nt.ca/en/services](http://www.iti.gov.nt.ca/en/services)) or contact your regional tourism development officer for more information.

