Post-Summer 2010 Alberta Tourism Operator Survey

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Provincial Overview

In September 2010, representatives of 105 tourist related businesses in Alberta, eastern Canada and the United States responded to the Post-Summer 2010 Alberta Tourism Operator Survey. This report reflects their comments.

The 2010 year is shaping up to be an encouraging year after the disappointment of 2009. Weather and the economy are the prevailing issues identified by survey respondents. The inclement summer weather hurt campground/RV parks and outdoor event attendance, two sectors that forecasted record attendance for 2010. The economy is mentioned in a positive note, especially by northern and Jasper Park Corridor hotels, as business exceeded expectations.

The summer season is summarized as follows:

- Banff National Park operators did not meet their high expectations but did show a modest gain from 2009. Poor weather was the factor that hurt regional visitor traffic. On a positive note, rate structures showed some strength over the summer. Booking windows remain short, which makes operators hesitant in their winter season projections.

- In Jasper National Park, poor summer weather dampened expectations. Occupancy met or slightly exceeded 2009 levels in a competitive rate market. Tour group traffic strengthened and marketing efforts again were directed at the regional market. The hope of an early ski season and a rebounding economy provides cautious optimism for a busy winter.

- Waterton Lakes National Park had what was described an average year as weather conditions adversely affected the optimistic expectations entering the summer.

- Banff Park Corridor operators reported mixed results and a summer comparable to, or slightly above, 2009. There has also been some stability of rates. A noticeable increase in international visitors was evident led by German, Dutch and American travellers.

- Along the Jasper Park Corridor, hotels in both Edson and Hinton saw strengthening occupancy fueled by corporate demand. Rate structures continue to be flexible. As oil patch activity increases, so does optimism and a strong fall and winter market is anticipated.

- In a summer with few major events, Calgary hotel operators saw mixed occupancy results and rate stabilization continued to be difficult. There is cautious optimism for improvement in corporate markets.

- Performance was flat in the Edmonton market over the summer, but with slow improvement in the economy, a busier fall and winter is expected. Fall events, including the Canadian Finals Rodeo, Farmfair International and the 2010 Grey Cup will encourage an influx of tourist business.

- Northern Alberta hotels, for the most part, saw a return to increased occupancy and a summer that exceeded expectations. Pricing remains an issue, but with strengthening demand, it is anticipated that there will be some recovery in both rate structures and booking windows. Optimism prevails entering the fall and winter seasons.

- Many Southern and Central Alberta operators describe the summer as disappointing. Summer occupancy equaled or was slightly below 2009 as rate structures continued to be open to negotiation.

- Campground & RV Park operators had a disappointing summer. Because of inclement weather in many areas of the province, early expectations of a very busy summer deteriorated and occupancy was similar to 2009.

- Group tour operators reported a robust tour season to Alberta. Increased tour travel from both the United States and Europe was the highlight after the difficult year in 2009. Operators are expecting an average winter season and look to 2011 to match 2010 demand.

- Many attractions and events operators suffered through a year of adverse weather and their expectation of exceeding the strong 2009 attendance was not achieved. Outdoor events were particularly affected and saw attendance similar to 2009. Although not to the same extent, indoor events were also subject to weather and did not achieve the attendance figures anticipated.

Observations worthy of note are:

- A strengthening Alberta economy has increased the level of optimism of Alberta operators. Northern Alberta operators have started to experience increased activity and that positive trend is being looked forward to throughout the province.

- The resurging economy will soon place heavy demand on industry staffing. Many respondents expressed concern about their inability to access the Temporary Foreign Worker Program to meet their need for qualified and willing workers.

- Excessive room inventory in many markets throughout the province continues to have a detrimental effect on both occupancy and rate structures.

Independent Travellers

Banff National Park

Banff National Park operators entered 2010 optimistically with the belief that world economic conditions would improve and that the 125th National Park anniversary activities would attract visitors. The summer did not meet expectations, but did show modest gains over 2009.

May and June opened the summer season with some growth. July showed some positive signs of improvement, but that did not extend into the month of August. September was being described as typical.

All respondents reported a noticeable increase in the number of Japanese tourists and suggested this increase is largely due to an improvement in the Japanese economy combined with improved direct air service from Japan to Calgary. One respondent estimated the number of Japanese tourists doubled over the previous year. A noticeable number of Australian tourists, indicating a growing market, marked the spring and early summer period. European visitors from the United Kingdom and Germany came in numbers similar to previous years. As with other areas of the province, there are mixed reports regarding the American market. A definite increase in the number of tours from the United States was reported from one major operator. Others suggested the American market remained soft. The Mexican market, which had been growing in recent years, dropped off substantially due to new travel regulations and the cut back on direct air access from Mexico.

Hotel operators in Banff reported that there has been some strengthening of the rates that they had lost in the previous year. The rate gain, combined with occupancy similar to 2009, allowed them to increase revenues.

Weather had a definite impact on the number of visitors to Banff National Park. One operator did note that the cool, wet weather resulted in some campers leaving campgrounds and taking warmer, drier accommodation in hotels. Anniversary festivities and events in Banff National Park drew a reasonable amount of visitors. National Park Day, when no admission fees were charged to enter Banff National Park, was well received by visitors. The Dragon Boat Race proved very popular and attracted large numbers of competitors and spectators. An aggressive marketing strategy by the tourist association, primarily directed at the regional market, was very successful in increasing traffic to the area.

The Banff area employs a large contingent of foreign workers. There is some concern among operators that a failure to maintain this workforce will have a negative impact on operations as business improves.

As respondents look to the future, they are hesitant to predict the level of business for the winter months as booking windows remain non-existent. The 2009 ski season was sporadic as ideal snow conditions in Europe and the appeal of the Olympics reduced the number of European skiers. It is hoped that an early snow and good conditions will result in a busy ski season.

Jasper National Park

Jasper operators' optimistic expectations were dampened by poor summer weather. What was expected to be a very busy summer turned out to be one where occupancy only met or slightly exceeded 2009.

A good start to the season extended through July and into mid-August. Occupancy throughout that period generally exceeded that of 2009. As the weather deteriorated into late August and early September occupancy demand dropped off accordingly. The poor late season weather was further compounded by smoky conditions from the fires in British Columbia. One Jasper Park attraction operator mentioned they had lost their three best weekends due to the smoke conditions. Campground occupancy was adversely affected by the less than ideal weather. The 2010 year was characterized by flexible pricing in the market, although there are signs that rate structures may be stabilizing.

Similar to previous years, marketing efforts were directed toward the regional market and regional visitors made up the majority of room nights. Increased group tour traffic was a bonus in 2010. Several hotels concentrated their marketing efforts to group business with success. As group travel is destination oriented, they were not affected as much by the poor weather as independent travellers were. American visitors are not a large market for Jasper and there were fewer U.S. leisure travellers during the summer. A pleasant surprise is a noticeable increase in American group tours to Jasper National Park. The European market was soft again this year with fewer German and British visitors coming to Jasper National Park.

With a poor start to the fall shoulder season, respondents are hopeful that good late autumn weather will encourage regional travellers to visit Jasper prior to ski season. The ski hills are expected to open in mid-November and marketing initiatives will be directed at attracting early season skiers. Recently implemented ski hill improvements should be an incentive for increased visits. Operators are hesitant to forecast winter demand with booking windows remaining as short as they are. With signs of an upturn in the Alberta economy, a stronger corporate and wedding market is expected. Operators are cautious in their 2011 projections but several are expecting a "minor growth year".

Banff Park Corridor

Operators in the Banff Park Corridor reported mixed results compared to 2009. With the exception of one respondent who reported substantially better results, most had a comparable or modestly better summer season than last year. Some areas enjoyed a good start to the season, with the months of May and June being better than the months of July and August. Others started more slowly and built up as the summer progressed, with July producing the best results. Business levelled off in August at many locations and results did not meet expectations. September reflects the same trend of location-to-location variance. Operators of new locations with no comparative sales history indicate sales are on target and initial objectives are being achieved.

For the most part, respondents indicated they were able to hold rates and in some instances, gained back some of their rate structure. The Canmore area, where there is a large inventory of accommodations, is the exception. Any rate discounting in Canmore was done at the higher end of the rate scale, while lower level rates held firm. There was some movement of ownership and management companies as operators balanced their portfolio of properties and diversified their market coverage.

While the regional leisure traveller remains the mainstay of the market mix, there were some noticeable increases in points of origin from international tourists. Tourists from Australia seem to be on the increase, especially in the spring and early summer months. Respondents along the corridor also noted a visible increase in the number of German and Dutch visitors. The consensus is that traffic from the U.S. was up, although when compared to previous years, was still considered soft by some respondents. There is some evidence of a developing Chinese market that should grow over the coming years. The South American and Mexican markets that had been growing for the past few years were in sharp decline. New travel regulations and the reduction in flights from Mexico adversely affected the number of Mexican tourists.

A variety of issues influenced business throughout the period. Poor weather and its negative impact was an issue for most operators as regional travellers decided to cancel or shorten their stay. One operator did note that the cool, rainy weather drove some campers from the campgrounds into hotel rooms. With leisure tourists aggressively shopping for rates in a competitive market, those operators offering lower rate structures believe they gained a competitive edge that worked well for them. Other respondents stated that they tried to regain some of their lost rates and were less flexible in negotiating rates with the walk-in trade. While this may have dampened occupancy levels, it helped increase revenues. All respondents believed that there was some indication that the world economy was improving and that travel was on the upswing.

When forecasting for the late fall and winter months, operators are quick to point out that the booking window continues to be extremely short and many reservations are made at the last moment. The last minute booking trend also applies to corporate meetings and small conferences. Operators are optimistic that corporate business is rebounding, but they do note that events are being booked for shorter periods and that the budget for such events is usually smaller.

Operators in the Banff Park Corridor recognize the contribution to occupancy levels by the many special events held in their areas each year. They also point out that the events expose the area to new people and generate opportunities for repeat business.

As business increases, a number of respondents are once again concerned about potential staffing issues. The Temporary Foreign Worker Program has proven very beneficial, providing reliable, quality employees. With the program coming to the end for many workers, employers are concerned that they will have difficulty filling positions.

Jasper Park Corridor

In 2009, the global recession was difficult for those Jasper Park Corridor operators relying heavily on the corporate and oil patch sectors. Recovery of those markets started early in 2010 and continued through the summer months. Without exception, respondents report substantial occupancy increases compared to the previous year. Increases of 20 per cent for the period were not uncommon among respondents. One operator reported that their occupancy tripled from the previous year. Expectations were that September would continue to be strong and that the trend would continue into 2011. Communities peripheral to the corridor are experiencing similar positive business increases.

Increased occupancy contributed to some firming of the rate structures. Over the past two years, a number of new locations have been built along the corridor giving a wider range of rates available to clients. Despite the firming of rates, an element of competitiveness still exists in some locations. Operators in the area tend to have their niche markets and their rates are reflective of those markets.

While many operators are largely dependant upon corporate and oil patch business, many reported an increase in leisure travellers. This was most notable in Hinton, which benefits from proximity to the mountains and Jasper National Park. Hinton respondents indicate that they enjoyed more spin-off business compared to Jasper from previous years. Some attributed this to a more favourable rate structures than was available in Jasper National Park.

Operators catering primarily to the leisure traveller noticed an increase in out-of-province travellers. There appeared to be more travellers from Ontario and Quebec than in previous years, and an increase of travellers from Germany and the Netherlands is reported. The largest component of leisure travel continues to be the regional traveller. Often leisure visitors are attracted to the area as either competitors or spectators to the many annual sporting events held in each community. In many instances, hosting organizations bring in quality performers to increase the draw of their event.

The improvement in the economy and resulting increase in oil patch activity have had the most significant impact on the increased levels of business. Anticipation is that business activity will remain strong, particularly after freeze-up, as the oil patch moves into full operation.

Calgary

The late spring and summer months produced mixed results compared to the same period in 2009. Year-over-year results varied from slightly up, to the same and to slightly down for the same period. Results also varied month-to-month as some respondents started the period stronger than others but then tailed off, while the slow starters improved as the season progressed. There was no consistent trend evident. The greatest challenge for Calgary operators was to match occupancies experienced in 2009 due to major events being held in the city, which was not the case in 2010. Unfortunately, the slower economy made it difficult for operators to replace the business generated by those events. Many respondents further indicated that 2010 annual events, such as the Calgary Stampede, did not meet the success of previous years. Month-by-month results were better in May and June at many locations while July and August were below those of 2009. In addition to the challenges of occupancy, maintaining rate structures continued to be difficult as clients were aggressively shopping for favourable rates. Despite this, there appears to be some firming of rates in the market. However, there was consensus that occupancy levels had to improve prior to any substantial recovery in rate structures.

September bookings to date were showing some modest improvement over previous years. There is cautious optimism that the corporate market segment will improve as the economy improves. One operator indicated that corporate travel was up about 8 per cent. There appears to be a slight increase in corporate demand for meetings although they tend to be smaller in nature and budgeted at a lower level. In November, operators will once again be competing with occupancy levels generated by the 2009 Grey Cup and anticipate that business will be slightly off in comparison. With expectations of a stronger December, most operators are reluctant to forecast into the new year. Last minute leisure bookings remain the norm and there appears to be very little pre-booking for meetings and conferences.

A number of respondents reported an increase in travellers from the United Kingdom, Germany and Italy. The major market for most operators is regional in nature, with the exception of corporate travellers from eastern Canada and the United States. The level of corporate travel is largely dependent upon the economy and for this to increase there must be more favourable economic conditions, particularly in the United States.

In addition to the current economic conditions, most respondents suggested that the absence of the business generated by the 2009 WorldSkills competition had the most significant impact upon their business. Poor weather also contributed to lower levels of business activity.

Some respondents suggested that the City of Calgary and tourist organizations had to increase and renew their marketing effort to improve upon results.

Edmonton

Survey respondents indicated that business performance for the period May through Labour Day followed the pattern set in the first quarter of the year. Overall, performance was flat when compared to the same period for the previous year. Some locations reported modest decreases from the previous year, while others reported slight increases. There was no consistent trend and performance varied month-to-month from location-to-location depending on a variety of factors. At some locations, individual results were buoyed by the acquisition of new group or conference business. A number of other locations suffered from reduced capacity resulting from renovations to their properties, particularly to conference and catering facilities. Most operators indicated that the business trends evident throughout the summer months are continuing through September with some slight improvement seen.

Edmonton area respondents largely draw upon regional tourism, those within an eight-hour travel time, and corporate travellers. Locations operating in close proximity to popular shopping areas benefit most from the regional tourist. Of note, although the number of travellers was on par with the previous year, the average length of stay was down. The corporate market does not appear to be recovering as quickly as originally anticipated by some operators. While no major hotel operator indicated a noticeable change in foreign tourist business, one urban campground operator tracking guest point-of-origin noted a slight increase in travellers from the United States.

Two factors affecting business, consistent with all operators, were the weather and the slow recovery of the economy. Inclement weather negatively impacted attendance at many special events and festivals, and reduced attendance had a direct effect on the hospitality industry. Several respondents mentioned the continued slow down in the economy was compounded by an increase in room inventory over the past year, and that had a noticeable, adverse affect on occupancy. Construction of new hotels in the city has influenced the competitive situation in the Edmonton market.

Consumer use of the Internet continues to grow and has a substantial impact on business. Some respondents state that favourable reviews and the ease of booking have positively influenced their ability to gain business. Other respondents indicate that some booking engines, such as Expedia, contribute to heightened rate competition and have a deteriorating affect on rates and profitability. As a result, a number of respondents have withdrawn their participation in such programs. Some operators suggest that a competent sales force and a comprehensive marketing program, combined with value-added services, have had the greatest impact on their ability to gain and maintain business.

With respondents looking toward the fall and winter months, there is optimism that the economy is slowly improving and that business should continue to improve upon the results of 2009. Operators believe that the Canadian Finals Rodeo and Farmfair International will continue to be strong attractions and will result in improved performance over the previous year. All respondents are confident that the 2010 Grey Cup will result in a favourable short-term spike in business.

As operators look forward to a rejuvenated international visitor market, some expressed concern about the impact that negative oil sands boycott publicity may have and believe that a strong response from the Alberta government to counteract that publicity is essential.

Northern Alberta

The summer of 2010 is described by some operators as a good summer exceeding expectations and by others as a quiet summer that did not meet occupancy projections. However, all operators are experiencing a strong start to the fall season and that trend is expected to carry forward into 2011.

Most respondents in Fort McMurray saw a relatively quiet summer highlighted by slower than normal mid-week bookings and by what one described as abysmal weekend occupancy. As a result, it was difficult to establish a stable rate structure and the market succumbed to flexible rate pricing. Rates at some venues were described as the lowest in a number of years. Operators in Peace River reported a good summer season strengthened by the 2010 Alberta Summer Games which saw hotels filled to capacity over the week-long event. Rates generally remained stable at 2009 levels. Slave Lake operators reported a good summer that exceeded expectations. Grande Prairie had a good, but not exceptional summer, in a market where rate stability has started to return. Other Northern Alberta areas classify the summer as slow to slightly above 2009.

The leisure traffic market did not show the strength of previous years and was a disappointment to many respondents. With the exception of 2010 Alberta Summer Games traffic to Peace River, Albertan leisure traffic to Northern Alberta was equal or slightly below 2009 levels. Banquet and wedding demand was strong in several communities. Respondents in both Fort McMurray and Grande Prairie reported some increase in American visitors to those areas. A respondent from Fort McMurray mentioned that the U.S.-initiated oil sands boycott campaign appeared to work to his advantage as his property benefited from several American group tours with people wanting to see the oil sands for themselves.

Respondents are heading into the fall and winter seasons on a high note. With activity in the oil patch heating up, fall bookings are strong and the trend is expected to carry forward into 2011, which will lead to rate stability. One operator reports that his booking window has extended beyond two months, the longest in several years.

With the increased business activity, the availability of a strong employee base has become the major issue for Northern Alberta operators. They are again experiencing employee shortages and having difficulty accessing trained and employable people.

Southern and Central Alberta

Southern and Central Alberta respondents approached the summer season with uncertainty and for many the summer proved a disappointment.

Average occupancy equaled or fell slightly below 2009 levels as several respondents report occupancy declines in excess of 15 per cent. With lower occupancy, food service revenue also suffered. Despite the lower occupancy levels, rate structures - although still subject to negotiation – are stabilizing in several regions.

Poor weather contributed to a noticeable decrease in walk-in leisure traffic. Group tour bookings, sports teams and wedding demand followed a similar pattern. The regional traveller was again predominant, and as earlier anticipated, fewer Americans visited in 2010. Corporate and crew business is reported as similar to or slightly below 2009.

The expectation heading into the fall is for a slow start strengthening as the season progresses. An exception is a report from one respondent of a stronger September, with the best month-over-month increase in the past eighteen months. Booking windows remain fluid but appear to be lengthening as increased corporate demand begins to show. That may be an indicator of good things to come. Larger hotels in most areas are endeavouring to maintain a more stable corporate rate structure and that has, in some instances, resulted in corporate crew business gravitating to smaller, lower priced venues. Hotels in larger centres will depend on sport team and tournament business to fill weekend rooms. Banquet, meeting and wedding business is expected to equal or be slightly improved over 2009.

Staffing has not been a concern to date, but could become an issue as the economy improves. Excessive room inventory in most markets, which has led to rate discounting, continues as a problem for many operators.

Campgrounds and RV Parks

Optimism for a very busy summer season gave way to the reality of poor summer camping weather in many areas of the province. Parks catering to regional campers through seasonal site bookings did not suffer to the extent of those dependent on drop-in traffic. Overall, respondents reported an average season, but none achieved the occupancy anticipated, and demand was similar or slightly below 2009 levels.

After a slow start to the season, most respondents experienced strong bookings in June, July and extending to mid August. Several parks in southern Alberta were unfortunately closed for several days during peak travel periods because of flooding. Even parks in Northern Alberta who experienced good camping weather suffered the consequences, as campers did not venture far, afraid of poor weather. Late summer and early fall occupancy has been a disappointment and is attributed to poor weather. Several operators are contemplating early closure. Sites designated to crew business were generally fewer than in previous years due to less crew activity in the area. The overall average rate structure was similar to that of 2009.

Regional travellers continued to absorb most of the sites, although, for parks catering to drop-in traffic this was the sector most affected by poor weather. There were mixed reports on the number of American visitors, although most respondents indicated a noticeable increase in visitors travelling through to Alaska. Several operators also noticed increased European visitor numbers led by the Germans and Dutch. One busy campground also mentioned visitors from Korea, Australia and New Zealand, which has not been the norm in the past.

Operators providing year-round sites anticipate winter demand similar to prior years. Winter sites at one park are now fully booked and temporary site demand is expected to be at the same level as 2009. Operators are prepared to add additional sites should demand increase.

Group Tours

Group tours to Alberta have strongly rebounded in the summer of 2010 after a disappointing 2009 season.

Up against strong European competition, highlighted by the once-in-a-decade Bavarian Oberammergau Passion Play and the increasingly popular European river cruises, Alberta held its own in attracting the American traveller. The significant growth in long-haul American tour visitors to Alberta was especially noticed in Banff and Jasper National Parks and in Fort McMurray. Short-haul U.S. tour visits to Southern Alberta and Waterton Lakes National Park were, however, fewer in number than in 2009. In line with the resurging American market, operators reported an upswing in European visitor demand. The German and Dutch tour market remained strong and there was growth in the French, Belgian and Italian markets for travel to Alberta and Western Canada. There is also evidence of recovery in travel from the United Kingdom, a market that has been down since 2007. Swiss visits were similar to last year and Australians came in greater numbers early in the year. Regional tour groups visited in similar numbers to 2009, but were more susceptible to poor weather cancellations.

The robust return of the United States market is attributed in large part to a successful shared marketing initiative. A campaign dovetailed with the Vancouver 2010 Olympic Winter Games and was marketed and regionally packaged as “The World has chosen Western Canada, So Should You.” European visitors were attracted by the fact that Canadian tour companies were able to package competitively priced tours because of favourable foreign exchange rates and cooperative pricing from Alberta operators. Looking forward, expectations for 2011 are similar to this past summer.

Travel Alberta once again received kudos from group tour operators. Alberta remains a high priced destination for international travellers, but is also viewed as being a very value competitive vacation. Of some concern, especially from a North American tour perspective, is that Alberta vacations are most attractive to the sixty-plus demographic. International group tour respondents advise of no short-term impact from oil sands boycott advertising in either the U.S. or Europe and feel the boycott threats should have no long-term negative consequences.

Attractions and Events

Calgary and Southern Alberta

Calgary attraction operators were optimistic about the summer season. Many started the summer with increased sales of season passes and memberships. Respondents reported summer results above 2009. June was a good month with attendance equal to or above the previous year, and one operator had the best June in the operation's history. July also posted positive results, but there was some drop off in business during August. September has recorded mixed results. In addition to increased attendance, some operators reported an upward trend in per capita spending in the gift shops and at concessions.

Calgary attractions draw largely upon the local and regional market. A small percentage of respondents did note that they experienced an increase in overseas travellers, particularly from Germany and the Netherlands. Traffic from the United States seemed to be spotty with varying opinions as to whether or not there was an increase. One operator suggested that visitors from the U.S. formerly represented about 11 per cent of the visitors to their location and that is now estimated to have dropped to 3 per cent.

The cool, rainy weather prevalent throughout the summer was a concern to all operators. Severe weather during the Calgary Stampede was a major factor affecting attendance. Calgary's Heritage Park Historical Village was positively impacted by the completion of their $65 million renovation and expansion.

In addition to the Calgary Stampede, the events at Spruce Meadows are a major international tourist draw. Attendance at their events was up year-over-year.

Many of the attractions, especially the outdoor attractions, curtail their operations each fall, most specifically after the Thanksgiving long weekend. Given favourable weather, most are expecting to finish the season on a strong note.

For the most part, attractions in Southern Alberta did not fare as well in 2010 as they did in 2009. With one exception, respondents reported that the summer long-weekend attendance was lower than the previous year. The trend in declining attendance continued throughout the summer with decreases ranging from 3 per cent to 15 per cent. One operator did buck the trend and reported an increase in business of 10 per cent for the summer period. Contrary to other parts of the province, operators pointed out that 2009 had been a good year and, under the present economic conditions, it would have been hard to outperform 2009 results. To date, September results are reported on par or slightly below last year.

Southern Alberta attractions draw largely upon regional traffic, with the majority of visitors coming from Alberta, British Columbia and Saskatchewan. It was reported that traffic from British Columbia and Alberta was up over the previous year, while visitors from Manitoba and Ontario were down. Visitation from Saskatchewan remained consistent with 2009. One operator noted that traffic from Edmonton and Calgary was down, while traffic from Medicine Hat and Lethbridge exceeded 2009. International visitors from the U.S., Germany, the Netherlands, Japan and Australia increased, offsetting fewer visitors from the United Kingdom.

Inclement weather was the most critical element affecting attendance. It especially affected those attractions with camping facilities. One operator reported that the lack of accessibility due to road construction severely hurt attendance. Budget cuts resulting from a slower economy also played a major role curtailing the ability to market effectively. One location showing visitation increases attributed the upswing to program changes and more effective marketing.

Those operations that operate year round expect the winter to be on par with previous years. One operator did expect to have a slower September with fewer school tours booked for the fall. While they are hesitant to forecast, many operators believe that they are on the upward slope of the economy and that 2011 will be a better year.

Edmonton and Northern Alberta

At the beginning of the 2010 spring and summer season, attraction and event operators were optimistic about the coming season. The previous year was a relatively good one for operators, despite the overall slowdown in the economy, and that trend was expected to continue in 2010. Unfortunately, that was not the case. The combination of a sluggish economy and unfavourable weather had a negative impact on many attractions and events.

City of Edmonton attractions, for the most part, had a slightly slower summer than in 2009. The 2010 year has been a transitional year for some Edmonton attractions with a number of organizational changes. New partnerships are being developed that will hopefully contribute to enhanced performance.

Other indoor attractions usually benefiting from inclement weather did not seem to benefit this year. The Royal Alberta Museum reported summer attendance was down. Other respondents reported similar results. A number of operators reported that they were dealing with reduced budgets and that promotional and operational cuts have adversely impacted their ability to increase attendance. Compared to the previous year, the number of travelling exhibits was down and lacked "blockbuster appeal" to create heightened interest.

Major summer events such as the Edmonton Capital EX, Honda Indy Edmonton, the Edmonton Folk Music Festival and the Edmonton International Fringe Theatre Festival were once again successful. All of these events were somewhat impacted by poor weather. These events draw largely upon local and regional markets. Respondents believe there is opportunity to promote these events to a wider market and increase the number of tourists to the area.

Overall, local attractions and events outside of Edmonton reported results on par or slightly above 2009. The exceptions were events that coincided with poor weather. Although the Reynolds Alberta Museum had busy summer, their attendance levels did not compare to 2009, due to poor weather for some of the major outdoor events. Attendance at fairs and special events is largely local with some regional appeal, and they are weather-dependent for success. Organizations involved with Alberta tourism programs such as “Rural Rendezvous” are very satisfied with the program results and look forward to their continuation.

POST-SUMMER 2010 ALBERTA TOURISM OPERATOR SURVEY INTERVIEW QUESTIONS

QUESTIONS:

1. How has your business fared for the period May through Labour Day weekend this year compared to the same period last year? In particular, how did your property/attraction/business operation perform in July and August compared to the same months last year? How about so far this month compared to September last year?

2. Did you experience an increase in demand from any particular visitor origin(s) during the months of June, July, or August? Did you have a noticeable increase in the number of visitors from any new markets that have typically not been a source of visitors? Did you see a noticeable decline this summer from any particular visitor origin?

3. What single issue had the most impact on your business this summer?

4. Overall, what are the prospects for your property/attraction/business operation through the end December this year? Do you expect it to be better, worse, or about the same as last year?
**If it is a seasonal operation that is not open during the late fall or winter, ask about the business prospects for 2011.

5. Any additional comments?

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