

TOURISM
BUSINESS
ESSENTIALS



FUNDAMENTALS FOR
TOURISM BUSINESSES

*The essential guide to understanding
the BC tourism industry.*

Destination
British Columbia™

Fundamentals for Tourism Businesses

This how-to guide provides an overview of British Columbia's tourism industry including legislation, fees, specific permits for tourism operators in BC, and how to develop, package and market tourism product. Additional resources and suggested publications specific to the tourism industry in BC are also listed that provide direction on how to start and grow your tourism business in BC.

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1 Introduction: A Great Place to Start

Anyone planning to start a tourism business in British Columbia will be entering an exciting global industry in a great location. British Columbia is one of the best places in the world to succeed in tourism. Our province offers an abundance of natural beauty, year-round resorts, world-class adventures and recreational experiences, cosmopolitan cities, exceptional cuisine and a diverse Asia-Pacific culture. Among four primary resource industries (forestry, agriculture, mining, oil and gas extraction, and tourism), tourism is now the province's largest industry in terms of gross domestic product (GDP)¹. We attract people from around the world who generate billions of dollars in revenue to British Columbia.

Creativity, Service and Synergy

Tourism is a creative industry. It is about creating memorable experiences for the visitor, and making their vacation dreams come true.

It is a service industry well-suited to people who enjoy meeting new people, sharing their experience, and ensuring that guests are provided with such outstanding service that they will want to return again, and again.

Tourism is an industry that depends on synergy, partnerships and collaboration. There are many different types of successful tourism businesses in British Columbia – hotels, attractions, travel agencies, sightseeing tour companies, and adventure and nature-based tour operations, to name just a few. Tourism operators often combine their products and services to provide visitors with a one-stop-shopping package experience. Many British Columbia tourism businesses take part in co-operative marketing programs and other joint ventures, often through industry associations. British Columbia's tourism sector

is both *outbound*, where visitors travel to destinations outside of British Columbia and *inbound*, which services visitors travelling to, and within British Columbia.

Tourism is a Business

You may already know which type of tourism business you want to start, or you may still be exploring which business best suits you. Regardless, it is important to recognize that starting a tourism business is no different than starting any other business. Some of the critical steps include:

1. Clearly identifying the type of business you want to develop
2. Researching your business and learning about its unique challenges
3. Analyzing the markets and the opportunities
4. Developing your business plan
5. Securing financing
6. Setting up your operation
7. Marketing and promoting your business

¹ Ministry of Jobs, Tourism and Skills Training. (May, 2012). *Value of Tourism in British Columbia*.

1 Introduction: A Great Place to Start

About this Guide: Helping You Build Your Future in BC's Tourism Industry

This resource guide has been developed for entrepreneurs interested in starting a tourism business in British Columbia. Inside you will find a wealth of useful information, including:

1. An overview of British Columbia's tourism industry, key markets and growth sectors.
2. Basic steps to starting, developing and growing a tourism business.
3. Unique registration and licensing requirements related to each tourism sector.
4. Human resources issues such as staffing and training.
5. Tips on tourism product development, marketing, sales and distribution.

The guide features embedded links to key resources that can help you in the above areas. At the back of this guide you will find a directory of key tourism industry sources you can go to for more information and assistance. With the knowledge gained from this guide, you will have a great start to an exciting and rewarding future in British Columbia's tourism industry.



2 Overview of British Columbia's Tourism Industry

Economic Value of Tourism

Compared to the other primary resource industries, the tourism sector makes a significant contribution to the BC economy. In 2010, the tourism industry generated 13.4 billion in revenue, an increase of 6% from 2009 and 44% increase since 2000.

In 2010 there were 17,943 tourism-related businesses operating in BC, with 127,400 people employed in jobs directly related to tourism.²

The awarding of the 2010 Olympic and Paralympic Winter Games to Vancouver boosted the province's tourism industry as Expo 86 did a generation ago. The staging of the 2010 Winter Games provided a huge opportunity to showcase British Columbia to the world. Destination British Columbia, responsible for marketing and promoting British Columbia as a preferred travel destination, has strategies to maximize the long-term tourism

benefits of the 2010 Olympic and Paralympic Winter Games for all parts of British Columbia.³ More details can be found in the *Gaining the Edge* tourism strategy.

BC Tourism Labour Market Strategy⁴

This strategy covers the job growth projections for the tourism industry leading up to 2020, including a look at key highlights, the challenges facing the industry, and the strategies and activities needed to recruit, retain and train the workers required to meet the province's projected job growth.

To learn more go to: <http://go2hr.ca/research/bc-tourism-labour-market-strategy>.



² Ministry of Jobs, Tourism and Skills Training. (May, 2012). *Value of Tourism in British Columbia*.

³ Ministry of Jobs, Tourism and Skills Training. (2012). *Gaining the Edge: A Five Year Strategy for Tourism in British Columbia, 2012-2016*.

⁴ go2hr (2012). *BC Tourism Labour Market Strategy*.

2 Overview of British Columbia's Tourism Industry

Tourism Trends: A New Type of Visitor

Increasingly, travellers worldwide are seeking experiential, life-enriching vacations that involve culture, nature, the outdoors and learning. These consumers want authentic experiences that focus on local culture and foods, allowing them to engage all of their senses. They want to get behind the scenes and be enriched by the people and places they visit.

This trend provides the tourism industry with a new type of visitor who is seeking more than just a view from a car or a bus. These visitors want to get inside a destination by meeting the local people and learning about the community and its cultures. They seek a greater understanding of nature and the world we live in. This trend means exciting new opportunities for British Columbia's tourism sector, as we have a bounty of resources to work with.

Tourism Markets: Local, National, US and International

British Columbia welcomes visitors from around the world. However, the most important tourism market for British Columbia is the local market. British Columbians travelling within the province accounted for over half of the province's 15.7 million overnight visitors (2010 data). The US is also an extremely important market, making up for over two-thirds of the international overnight visitor volume. The province's primary US markets are Washington and California. Visitors from the rest of Canada represented 19% of British Columbia's overnight visitor volume, with Alberta and Ontario being the primary sources of Canadian visitors from outside the province.

Overseas markets provided 9% of the overnight visitors to British Columbia, with Asia/Pacific markets accounting for 4%, the European markets accounting for 4% and the other overseas markets accounting for 1% of overnight visitors respectively.⁵

On June 24, 2010, Canada's Prime Minister Stephen Harper, and the President of the People's Republic of China, Hu Jintao, witnessed the signing of a Memorandum of Understanding to Facilitate Outbound Tourist Group Travel from China to Canada. This Memorandum provided Canada with

Approved Destination Status (ADS), allowing Canada to market itself as a tourist destination in China, and facilitating group leisure travel.

BC's Market Focus⁶

These markets will be the focus of BC's *Gaining the Edge* tourism strategy, providing the greatest benefit for British Columbians.

Top Priority Markets:

Lead: Provincial

High Revenue/High Spend Per Visitor

- Ontario
- California
- Germany
- South Korea
- UK
- Australia
- Japan

Emerging Markets with Long Term Potential

Lead: Provincial

- China
- India
- Mexico

High Volume/String Repeat Visitation

Lead: Regions, Communities and/or Sectors

- British Columbia
- Alberta
- Washington State

⁵ Ministry of Jobs, Tourism and Skills Training. (May, 2012). *Value of Tourism in British Columbia*.

⁶ Ministry of Jobs, Tourism and Skills Training. (2012). *Gaining the Edge: A Five Year Strategy for Tourism in British Columbia, 2012-2016*.

Types of Visitors: Leisure and Corporate

Leisure visitors to British Columbia are those who are on holiday. Corporate visitors are those that are coming to British Columbia for activities related to their business. To distinguish between these visitors, the tourism industry divides them into two markets: the leisure travel market and the corporate travel market. These two markets have different requirements for tourism services and should be approached accordingly.

The Leisure Travel Market encompasses both the individual and the group travel market.

- **Independent travellers** are also known as FIT (Fully Independent Travellers). FIT travel is a growing trend around the world, with a growing number of visitors wishing to explore new places without the constraints of group travel. FIT visitors may pre-purchase a planned driving itinerary (fly-drive) which includes a rental car, accommodation, airfare and activities in several locations. They might alternatively purchase a multi-day single-destination package for a vacation centred on a specific activity, city or resort. Or they may simply book individual travel services, either in advance, or once they are in the province.

A large percentage of FIT visitors are here to visit friends and relatives (VFR). VFR travellers often stay with their hosts in private homes, but many also tour around the province, making them an important part of the tourism mix.

- **Group travellers** are those who travel on an organized tour led by a guide. Transportation and accommodations are generally included in the package, along with some or all meals, and admissions to attractions and events. There are many

different types of group travellers, from seniors groups to school groups to special interest groups such as garden clubs, birdwatchers and outdoor adventurers.

The Corporate Market includes visitors who travel to British Columbia for business meetings, or to attend a conference, convention or congress. Sometimes they arrive as a group, but often they travel independently to the destination and then meet as a group. Additionally, some of the corporate travel market is focused on team building, workshops and incentive travel programs. Incentive travel programs are “gift” trips that businesses provide to clients or employees as a “thank you” or reward. The Corporate Market also includes Spousal Programs that many conferences, conventions and congresses provide as a way to entice attendees to bring their spouse along.



2 Overview of British Columbia's Tourism Industry

Tourism Products: Matching Your Business with the Visitor

British Columbia is renowned for its exceptionally diverse selection of tourism experiences and is well-positioned to benefit from the global increase in experiential travel.

Destination British Columbia has identified over 50 distinct product sectors currently offered in the province. Many of these sectors have come on-stream just over the past few years. These sectors include Agritourism, Culture and the Arts, Aboriginal Tourism, Outdoor Adventure, Ski, Golf, Sport Fishing, Cruising, Cuisine, Spa and many others.

Types of Tourism Businesses in British Columbia

By function, the key sectors within British Columbia's tourism industry include the following, with some examples of each:

Accommodation:

Bed & Breakfasts, Inns, Resorts, Lodges, Cabins, Guest Ranches, Hotels, Motels, Campgrounds

Transportation:

Motorcoach, Rental Cars, Charter Boats, Ferries, Water Taxis, Motorhomes, Rail, Air

Attractions:

Museums, Cultural Centres, Art Galleries, Theme Parks, Outdoor Adventure opportunities

Tour Operators:

Outdoor or Culinary Adventure, Cruise and Fishing Tour Operators, Local Sightseeing Tour Companies

Corporate Planners:

Destination Management Companies, Convention Service Companies, Event Planners

Nature-based Tourism Businesses

Approximately 2,200 of British Columbia's almost 18,000 tourism businesses offer nature-based activities. This is in addition to those offering simple accommodation facilities, marinas and stand-alone campgrounds.⁷ More than half of these nature-based tourism businesses operate on Vancouver Island, in Victoria and the Gulf Islands, and in the Vancouver Coast and Mountains region.

Some examples of nature-based tourism:

- Canoeing
- River Rafting
- Kayaking
- Hiking
- Horseback Riding
- Guest Ranches
- Wilderness Lodges
- Cross-country & Backcountry Skiing
- Heliskiing/Cat Skiing
- Mountaineering
- Scuba Diving
- Saltwater & Freshwater Fishing
- Hunting
- Caving
- Sailing
- Windsurfing
- Surfing
- Yacht Cruising
- Snowmobiling/ATV Touring
- Cycling/Mountainbiking
- Nature and Wildlife Observation / whale watching, bear spotting and bird watching

⁷ Tourism British Columbia. (January 2005). *Characteristics of the Commercial Nature-based Tourism Industry in British Columbia*.

Tourism Products: Matching Your Business with the Visitor

Synergy and Teamwork

Some of British Columbia's tourism sectors have joined together in formal alliances, either through associations or consortiums, for the purpose of cooperatively marketing and supporting their sector. Examples include: Cruise BC, BC Lodging & Campground Association, and the Wilderness Tourism Association. By pooling their financial resources in this way, a sector is able to take a more focused and affordable approach to targeting a niche market. Entrepreneurs starting a tourism business should consider becoming a member of a product sector, as a key element in their marketing strategy.

For more information on sector associations in British Columbia, refer to the Contacts & Resources section of this guide or visit the *BC Tourism Industry* section of the Destination BC website at

www.destinationbc.ca/BC-Tourism-Industry/Industry-Partners.aspx.



3 Starting a Tourism Business

Developing Your Business Plan: It is Essential

Tourism businesses are sometimes started by entrepreneurs who choose tourism for lifestyle reasons, or as a second career. However, to be sustainable, starting a tourism business needs to be approached just as rigorously as any other business.

A wise first step is to determine the overall feasibility of your business concept. Here are the general steps to follow.

1. **Vision:** Put into words and images your idea of what you want your tourism business to be. Your vision will form the foundation of your business planning.
2. **Research:** Obtain the most current and accurate information about all aspects of the tourism product and sector you are interested in.
 - Look carefully at the market and at your competition.
 - Identify potential markets and customers, the demand and the acceptable pricing for the product.
 - List the requirements for permits, leases, licences, insurance, staffing and other factors to determine everything you need to have in place to operate your business.
 - Identify the marketing and sales activities you need to participate in to be successful in your target markets, as well as the costs and timing of these activities.
 - Look at the existing businesses in your area that could compete for the same market.
 - Take an approach that makes your business unique, while learning lessons from the experiences of existing businesses.

3. **Business Analysis:** Take what you have learned from your research, and analyze whether or not you have a viable business idea. Challenge yourself with questions, such as:

- Have I accounted for the seasonality of the tourism business? How will I pay the bills in the off-season?
- Will I need to employ staff? How many? Full-time or part-time? What skills will they need?
- How should I develop my skills as a manager?
- Who is my target market? Where are they located? How will I market to them?
- And most importantly — can I afford to properly market to my target audience? Develop a rough budget. Review your expenses and projected revenues to ensure that your business can be profitable in the long term.

4. **Business Plan:** If you are comfortable that you have a viable business idea, you then need to develop your detailed business plan and budgets. These must cover all facets of your business including management, operations, staffing, risk analysis, marketing, and sales. A good business plan is essential to making informed business decisions. You will need to take it to the bank – most lenders will want to review your business plan before considering you for financing.

More detailed information on the tourism industry can be found by visiting the Destination BC website at www.destinationbc.ca/Resources/Tourism-Planning-Resources.aspx.

Resources For Starting a Business

Small Business BC

Small Business BC's website has a section entitled "From Concept to Reality" which covers information on business planning including sample business plans at www.smallbusinessbc.ca/starting-a-business/business-planning.

OneStop

The Ministry of Jobs, Tourism and Skills Training has produced a booklet entitled Starting a Small Business in British Columbia. To obtain a copy, visit www.resourcecentre.gov.bc.ca/pdf/StartSmlBusiness.pdf.

Aboriginal Entrepreneurs

The Aboriginal Business Services Network strengthens Aboriginal business service providers in British Columbia by enhancing access to business information and resources. The ABSN BC Board is made up of representatives from Aboriginal Capital Corporations, Aboriginal Business Development Centres, Community Futures offices, federal, provincial, and non-profit representatives. For more information, visit www.absn.ca. Additionally, the Aboriginal Tourism Association of British Columbia (AtBC) has marketing resources that are dedicated to raising awareness of Aboriginal tourism experiences available in BC. Visit www.aboriginalbc.com/corporate for more information.

Financing Your Business

For most British Columbia tourism businesses, the primary season is either winter or summer. Many do not operate year-round. Spring and fall are generally considered low season for most tourism businesses. These peaks and valleys must be taken into account in your financial planning.

If all your annual revenue comes during a six month period, you need to plan your revenues and expenditures for the whole year

to ensure that you can sustain the business through the other six months of low cash-flow. This can get challenging, especially since the low time for cash flow is often the same time that you need to invest in marketing and promotion for the upcoming season. Therefore, you will likely need to establish a line of credit with a bank to carry you through the cash-flow valleys. This is in addition to having up-front working capital to start your business.

Small business financing can involve several types of financing including short-term debt, long-term debt and equity financing. Alternate sources of financing include leasing, advance payments from customers, and supplier financing through extended payment terms.

For more information on types of financing available for small businesses, visit the Exploring Your Finance Options section of the Small Business BC website at www.smallbusinessbc.ca/topics/financing.

Steps to Starting Your Business

1. Identify your business
2. Research and analyze your business
3. Develop your business plan
4. Finance your business
5. Register your business
6. Develop a risk management strategy
7. Secure insurance
8. Set-up your business
9. Develop your product
10. Staffing and training
11. Market your business

Additional Resources

The **Resources** section in the Destination BC website can assist in providing you with additional resources and contacts that can help you build your tourism business. www.destinationbc.ca/Resources/Tourism-Planning-Resources.aspx

3 Starting a Tourism Business

Resources for Starting A Business

Community Futures Development

Corporation (CFDC): In rural British Columbia, your local Community Futures Development Corporation (CFDC) is a good source of information on financing. To find your nearest CFDC, visit www.communityfutures.ca.

Financing for Aboriginal Entrepreneurs: If you are of Aboriginal descent and are planning to acquire or establish a tourism business, additional financing resources may be available through Aboriginal Business Canada (ABC). ABC also assists Aboriginal youth entrepreneurs between the ages of 18 – 35 to establish, acquire or expand their business. To learn more about ABC, or to review the detailed eligibility and financial support requirements, please visit www.ainc-inac.gc.ca/ecd/ab/abc/index-eng.asp.

As well, Aboriginal Affairs and Northern Development assists First Nations individuals looking for funding to develop a business

opportunity or companies interested in developing a partnership with a First Nation. For information on programs, guidelines and criteria, visit www.aadnc-aandc.gc.ca/bc.

Tourism Industry Association of BC:

The Tourism Industry Association of BC (TIABC), formerly the Council of Tourism Associations (COTA) of BC, is a member-based organization representing the interests of BC's tourism businesses. A concerted effort by industry experts brings issues straight to the policy makers. See Tourism Industry Association of BC at www.tiabc.ca.

Canadian Tourism Commission (CTC):

The Canadian Tourism Commission is responsible for marketing Canada to the world. They also provide resources to help Canadian tourism businesses succeed, including a “New to Tourism” section of their corporate website at en-corporate.canada.travel/resourcesindustry/new-to-tourism.

Registering Your Business: Federal, Provincial and Municipal

It may take longer than anticipated to secure all of the permits and registrations you need to operate your tourism business. Be sure to include enough time for the registration process in your business planning, as unexpected delays could affect your start-up schedule. Once you have completed the planning and financial stages, you are ready to establish your business as a legal entity. Regardless of the type of tourism product or service you intend to provide, the following steps must be taken to register your business with government agencies.

1. Choose your business name and get it approved by the Registrar of Companies. For more information, visit www.bcregistryservices.gov.bc.ca.
2. Choose a domain name for your website and email address — optional, but recommended.
3. Register your business as a proprietorship, partnership, limited or incorporated company with the British Columbia Corporate Registry.
4. Contact your municipality or regional district to obtain a business licence.
5. Review zoning and land use bylaws to ensure you comply.
6. If you are commercially importing or exporting any goods, you will need to register with the Canadian Revenue Agency for an Import/Export account.

Registering Your Business: Federal, Provincial and Municipal

Important note:

If you are incorporating your company, you must incorporate before completing the other business registrations. You can incorporate online by visiting www.corporateonline.gov.bc.ca

The **OneStop Business Registry** offers integrated electronic Business Registration and Business Address Change services. You can register online for different provincial taxes and register your business with public agencies including the Workers' Compensation Board. The website also provides general information on starting or expanding a business. For further information on the **OneStop Business Registry**, visit www.bcbusinessregistry.ca or call 1-877-822-6727.

Additional Resources:

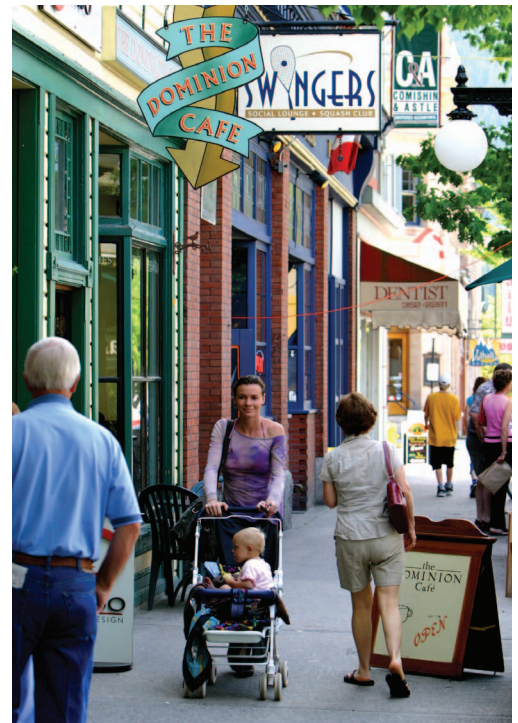
Regulations and Registration

The **Small Business BC** website provides entrepreneurs with products and services that will assist their successful entry into small business ventures.

www.smallbusinessbc.ca

For more information on provincial, federal or municipal business registrations call **Small Business BC** at 1-800-667-2272 .

Or visit their website at www.smallbusinessbc.ca/starting-a-business/legal-requirements



3 Starting a Tourism Business

Sector-Specific Registration: Licences, Fees and Permits

In addition to basic business registration, some tourism businesses may require additional registration, licences and permits in order to comply with regulations and legislation related to their specific sector. This section provides an overview of the regulatory requirements for operating different types of tourism businesses in British Columbia.

1. Accommodation Businesses

- **Hotel Room Tax (HRT) Registration and Municipal & Regional District Tax:** As an accommodation owner, you are obliged to collect 8% PST unless a specific exemption exists. Depending on your location, you may also be obliged to collect up to 2% Municipal & Regional District Tax. For further information on the Hotel Room Tax Act visit the Ministry of Finance Consumer Taxation Branch at www.sbr.gov.bc.ca/documents_library/brochures/PST_MRDT_Guide_Accommodation.pdf#page=17.
- **Approved Accommodation Program:** Destination British Columbia registers provincial accommodation properties through its widely-recognized inspection and registration program. By participating in this voluntary program, your accommodation property can become eligible for listing in Destination British Columbia's Approved Accommodation Guide and HelloBC.com. You can also apply for the Service & Attraction Highway Signage Program. For further information visit www.destinationbc.ca/Programs/Consumer-and-Industry/Quality-Assurance-Services.aspx.

2. Tourism Businesses Operating a Commercial Vehicle to Transport Passengers

- **Commercial Vehicle License:** All persons who transport passengers and charge or collect compensation must have their commercial vehicles inspected annually by ICBC and have a licence or permit issued under the Passenger Transportation Act. For further information, visit www.th.gov.bc.ca/rpt.
- **Commercial Drivers License:** If you own or operate ground transportation (buses, vans, cars and limousines) as a part of your business operation, your drivers will be required to have a Class 2 or Class 4 licence, depending on the type of vehicle being driven. For further information, visit www.icbc.com/driver-licensing/getting-licensed.

3. Tourism Businesses Operating a Commercial Vessel

- **Small Commercial Vessel Licensing:** Boats and other watercraft of less than 15 tons gross tonnage are classified as "small vessels" under the *Canada Shipping Act* and must be licensed. For further information, visit www.tc.gc.ca/eng/marinesafety/oep-vesselreg-smallcomm-menu-542.htm.

Additionally, operators of canoes, kayaks, rafts, whale watching cruise boats and other small marine vessels are subject to the *Marine Liability Act (MLA)*. To view the *Marine Liability Act* visit www.elp.gov.bc.ca/eemp/overview/leg_fed.htm.

Sector-Specific Registration: Licences, Fees and Permits

4. Adventure Operators, Fishing Guides and Guide Outfitters

- **Commercial Recreation Crown Land Tenures:** If you are operating a tourism business that uses Crown land to conduct outdoor recreational activities on a fee-for-service basis, you will need to acquire tenures for the Crown land you are utilizing. For further information please visit www.destinationbc.ca/Resources/Tourism-Planning-Resources/Starting-a-Tourism-Related-Business.aspx.
- **Provincial Park Use Permits:** If you are offering commercial recreation services in a provincial park or protected area, you must have a permit issued by the Ministry of Environment. This requirement applies to hiking, cross-country skiing, scuba diving instruction, kayak/canoe touring, big game guiding, angling guiding, and similar activities.

For further information on permits, fees and the application process, please visit www.elp.gov.bc.ca/bcparks/permits.

- **National Park Use Permits:** A business conducting any part of its operation within a National Park requires a National Park Business Licence. Each park has its own fees; therefore you must contact each National Park separately. For a directory of National Parks, visit www.pc.gc.ca/progs/np-pn/recherche-search_e.asp?p=1.

5. Licences for Fishing Guides & Guide Outfitters

- **Freshwater Fishing or Guide Outfitter Licence:** You need a provincial licence to be a hunting or fishing guide in British Columbia. The Permit and Authorization Service Bureau of the Ministry of Environment is responsible for managing the guide industry to ensure compliance

with regulations and optimum use of resources.

It also establishes legislation, policies and procedures for managing fishing and hunting activities. For information on the application process for becoming a licensed guide, visit www.env.gov.bc.ca/pasb.

- **Tidal Water Fishing Licence:** Tidal water fishing comes under the jurisdiction of Fisheries and Oceans Canada, a federal government agency. If you are going to fish, spearfish, net or capture any species of finfish or shellfish in tidal waters, you need a tidal waters sport fishing licence. Tourism operators must ensure that each guide and guest has a fishing licence.

For more information, please visit www.pac.dfo-mpo.gc.ca/recfish/Licensing/default_e.htm.

6. Tour Operators, Tour Wholesalers and Travel Agents

- **Consumer Protection BC:** Tour operators, tour wholesalers and travel agents offering travel services on a regular basis to the public in British Columbia must be provincially licensed, pay an annual fee, and hold a financial security bond. To find out whether your business needs to register with Consumer Protection BC, visit their website at www.consumerprotectionbc.ca.

For more information on registration requirements for your tourism business, check the OneStop Business Registry website at www.bcbusinessregistry.ca Or call Small Business BC at 1-800-667-2272.

3 Starting a Tourism Business

Insurance: Protecting Your Business

An important next step in your business start-up is to ensure that your investment is protected against various risks. Your insurance company or broker can guide you on the insurance coverage needed to safeguard your tourism business. The following are the most commonly required types of insurance for the tourism industry.

Commercial General Liability (CGL) Insurance insures you and your business against claims made against you by third parties that may arise out of your activities or operation.

Property Insurance covers losses from damage to or destruction of business property.

Accounts Receivable Insurance insures up to 90% of your receivables if a tour operator does not pay because of insolvency or default. For further information, visit Export Development Canada at www.edc.ca/english/insurance.htm.

To find out more about insurance requirements and insurance brokers, visit the Insurance Bureau of Canada website at www.ibc.ca.

Risk Management

A Risk Management Strategy acknowledges actual and potential threats to the successful operation of a business and determines the activities required to minimize or eliminate the risks. Businesses having risk management plans and operating procedures in place could qualify for premium reductions from their insurance company.

4 Human Resources

Though many small tourism businesses are owner-operated, they almost all need employees to support the operation of the business. Before you hire anyone, there are many things to consider, including:

- how to recruit the right people for your business
- compensation and salary levels
- insurance and benefits
- managing your staff
- staff training
- how to retain good workers.



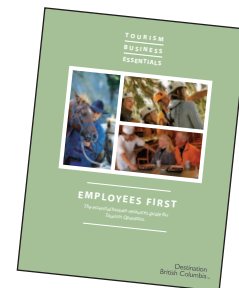
You should also be aware of the current *Employment Standards Act* for British Columbia. For information, visit the Employment Standards Branch website at www.labour.gov.bc.ca/esb

Additional Resources

Employees First

Destination BC has developed an *Employees First* guide that provides valuable information on how to attract, retain and develop an effective workforce. Developed in partnership with go2, the guide offers insights on great people practices from leading tourism operators as well as templates that enable you to put this knowledge to work. In today's challenging labour market, learn how to put employees first and reap the rewards in your tourism business and on your bottom line.

For more information on other *Tourism Business Essentials* guides, workshops and webinars, visit the [Programs](#) section of the Destination BC website.



4 Human Resources

Staffing: Needs Change with the Seasons

Seasonality usually means that staffing needs will fluctuate throughout the year. As a result, many seasonal tourism businesses rely on entry-level staff that may not have extensive work experience or training. Employee turnover can be high. If your business is seasonal you will need to develop a strategy to meet these challenges.

For businesses hiring seasonal employees in the spring and summer months, British Columbia's tourism and hospitality colleges and training institutes can be an excellent source of enthusiastic, committed, well-trained employees.

For more information visit www.linkbc.ca. LinkBC is a value-added service organization working with tourism and hospitality programs across BC.

As well, many tourism colleges have full or part-time practicum programs for their third and fourth year students. Your tourism business will benefit by providing practicum opportunities for these students. Some practicum programs do not require that a salary be paid, while others require you to pay at least a minimum salary.

The following resources are also available to help British Columbia's tourism businesses meet their staffing needs.

go2 – The resource for people in Tourism
go2 is a non-profit, industry-led organization established to help British Columbia's tourism operators attract, recruit and retain employees in order to support industry growth. The go2 website has extensive information for the employer including advice on employee compensation, seasonal employees, staff training, and a free job postings site. For more on go2, visit www.go2hr.ca.

Human Resources and Skills Development Canada (HRSDC)

HRSDC offers a Summer Career Placement program designed to assist full-time students in preparing for their entry into the labour market. The program provides wage subsidies to employers, including tourism businesses, who offer summer employment opportunities for students aged 15 to 30 years. For further information and to obtain an application, visit the HRSDC website at www.hrsdc.gc.ca.



Training: New Skills Are Vital to Every Business

In British Columbia, there are a variety of training and support programs designed to help business owners, employers and employees expand their knowledge and skills. Some programs are general, while others focus specifically on the tourism industry.

General Training Programs

Small Business BC Seminars

Small Business BC offers a wide variety of affordable seminars for small businesses in Vancouver. Day, evening and weekend course schedules are available. To review upcoming seminars, visit www.smallbusinessbc.ca/seminars.

Tourism-specific Training

The *Tourism Business Essentials* series of how-to guides offered by Destination British Columbia, provides tourism operators with valuable information on how to run a successful tourism business. A workshop, led by industry professionals, is also available to accompany the *Online Reputation Management* guide. For further information on the workshops or to download any of the *Tourism Business Essentials* guides, visit the Programs section of the Destination British Columbia website at www.destinationbc.ca/Programs/Guides-Workshops-and-Webinars.aspx.

WorldHost Training®

The SuperHost® program was first introduced in 1985 to prepare British Columbia's tourism workforce for Expo 86. It is one of the world's leading customer service training programs for employees and businesses in the tourism and hospitality sectors. With over 24 years of expertise in training individuals to deliver "WOW" customer service, **WorldHost Training** now continues the **SuperHost Program's** legacy by offering internationally recognized training solutions to effectively meet the needs of our clients in the tourism industry. Delivered by certified trainers, workshops are offered throughout British Columbia. For further information visit www.worldhosttraining.com.

go2 – The resource for people in Tourism

As well as helping tourism operators meet their staffing needs, go2 provides information and resources to employees and employers on a range of tourism training programs. The go2 learning resources can be found at www.go2hr.ca/training.

5 Developing Your Product

In order to develop your product or business, you need to understand the markets you wish to target, as well as the demand for your product. Your market is your target group of customers.

Defining and learning about your markets requires research. Though it takes effort at the beginning, thorough market research can often be the determining factor in the success of a business.

Equally important is conducting a competitive analysis. You need to understand who your competition is, what they are doing well, what they are not doing, and how you can develop your business to have a competitive advantage. In other words, you need to determine your USP, or unique selling proposition.

Market Research: Target Your Customer

To serve you best, your research should be designed to define:

- the customer you believe your product will most appeal to
- the experiences, services, duration of visit and price points most common within this market
- the sales channels you will utilize to get your product to your target customers.

Another approach to product development is to identify a product or service void, and then build your business around filling that void. To find a product or service void in the market, you must understand the needs of the market, which again requires research.

Depending on your business, the following are some of the questions to consider in identifying your target market and effectively developing products and packages that will appeal to those consumers.

Define your customer:

Demographics:

- How old are they (a range)?
- Where do they live?
- What is their marital status?
- Do they have children?
- What kind of jobs might they have?
- What type of education?
- Approximately how much do they earn?

Psychographics:

- When do they travel?
- How much do they spend while on vacation?
- What is the average duration of their visit?
- What types of activities do they prefer?
- Do they want a full day of activities or just an hour or two?
- When do they plan and book their vacation?
- How do they book their vacation?
- How do they travel to your destination?
- What kind of sleeping accommodations do they prefer?

Research Resources

Both the Canadian Tourism Commission (CTC) and Destination British Columbia undertake market research on a regular basis. Their staff and websites can offer you current information on domestic, regional and international markets.

The Destination BC Research, Planning and Evaluation program can be found at www.destinationbc.ca/research.aspx.

The Canadian Tourism Commission research information can be found at en-corporate.canada.travel/research.

Product Development and Packaging: Be Creative and Competitive

Once you have researched your markets it is time to develop your product. Use the results of your market research to help guide development, marketing and pricing. You will need to take into account the activities that appeal to your target market. If it is an accommodation business, you need to identify your guests' duration of stay. And

you will need to decide on the appropriate price to charge. The research you conducted on your competitors should tell you what the competition is offering. This will allow you to be competitive with your pricing, while creating a product or package that is unique in the market.

Offering A Tourism Package

Depending on of the type of tourism business you start, you can often combine multiple services and components – such as accommodation, activities, attractions, meals and transportation – to create a variety of interesting and unique tourism packages. As few as two components can make up a package. The package can be of any duration from an hour to multiple days. As long as your foundation is solid, you can add or adjust components over time and modify the package to suit many different markets.



5 Developing Your Product

Pricing Your Product and Packages

It is important to price your product and services so you will be competitive and attract business, while also ensuring that your operations generate sufficient income. In order to establish a ballpark price, determine what it costs for you to deliver the experience you are selling, and then add on your desired profit. This is your net price. If you are selling your product directly to the public, your net price can also be your retail selling price. If you are marketing through travel trade partners, your price will also have to cover the commissions they charge to help sell your product.

To market your tourism business outside the region, you will likely require the support of tour operators and/or travel agents. To get their support, be prepared to pay them a commission on the retail price of your product. You must build the commissions into the price of your package before establishing your retail selling price. Once you publish your retail price, this is the price that commissions must be based on. Further in this section you will be provided with information on the appropriate commissions for tour operators and travel agents.

Sustainability in the Tourism Industry

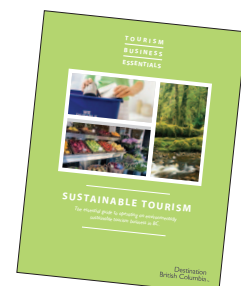
A vibrant and attractive destination is critical to the success of British Columbia's tourism industry. Travelers are attracted to our Super, Natural® environment; however, as visitation increases, so does the impact on our resources. For tourism to continue to be successful in B.C., tourism businesses, communities and sectors need to incorporate sustainable practises into their operations that recognize the importance of environmental, economic, social and cultural values.

Additional Resources

Sustainable Tourism

Destination BC has developed a *Sustainable Tourism* guide to assist operators in meeting the needs of consumers with increasing environmental awareness, and helping to ensure tourism businesses enhance the communities and regions where they are based. Building a tourism industry that respects the natural British Columbia environment will help the sector continue to be a key contributor to the BC economy in the long term.

For more information on other *Tourism Business Essentials* guides, workshops and webinars, visit the [Programs](#) section of the Destination British Columbia website.



6 Marketing Your Business

Once you are ready to take your product to market, the big question is, “How?” Do you promote your product directly to the consumer? Do you sell your product through tourism trade partners? Or do you do both?

To answer these questions and develop your marketing plan, it all comes back to research. You need to understand

your target market – how and when your potential clients book their vacations, and where they get their travel information. This should be done during the research phase outlined in [Chapter 5](#). You then need to identify the best resources to assist you with marketing your product to your target markets.

Marketing and Sales Plan: Your Road Map to Success

Your marketing and sales plan should identify the markets you wish to target, and the best sales channels for you to work through. These can include the internet, tour operators, travel agents, or direct to consumer marketing. You also need to understand the buying cycle of clients in your target market, in order to prepare effective marketing materials and identify the sales activities you will need to undertake.

Marketing materials and sales activities to consider in your planning and budget include:

- website for your business
- quality images of your business and/or destination
- media releases
- membership in tourism associations or sector associations
- personal attendance at marketplaces as well as trade and consumer shows
- print and online advertising
- brochures
- e-marketing
- direct mail
- sales calls.

Additional Resources

Ads & Brochures That Sell

Destination BC has developed an *Ads & Brochures That Sell* guide which focuses on two important business tools – brochures and print ads. Whether you do it yourself or work with a designer, this guide will help you understand how to create compelling, attractive promotional material, and how to avoid common mistakes along the way.

For more information on other *Tourism Business Essentials* guides, workshops and webinars, visit the [Programs](#) section of the Destination British Columbia website.



6

Marketing Your Business

Working With Partners: An Affordable Way to Increase Your Reach

Destination Marketing Organizations (DMOs – also known as Destination Management Organizations) can be important marketing resources for tourism businesses. DMOs are responsible for developing and delivering marketing programs that increase tourism visitation to a particular place. DMOs represent a wide variety of destinations from a national level down to a region, city, community, or specific resort.

“Working with Destination Marketing Organizations allows the small business operator to affordably and effectively promote their products to the world through a collective, targeted approach.”

Chris Dadson, President (past)
Kootenay Rockies Tourism

Destination Marketing Organizations (DMOs): Working Together

The Canadian Tourism Commission (CTC) is Canada’s national tourism marketing organization. It generally takes the lead in international markets, promoting Canada as a tourism destination. The CTC also forms partnerships with provinces, cities and regions to deliver joint marketing initiatives internationally.

Corporate: www.canadatourism.com

Consumer: www.travelcanada.ca

Destination British Columbia works closely with British Columbia’s tourism industry to promote and develop tourism throughout the province, and to ensure the continued long-term growth and prosperity of the provincial tourism industry. Destination British Columbia engages in a variety of joint marketing and promotional campaigns in BC, across Canada and in countries around the world.

Corporate: www.destinationbc.ca

Consumer: www.HelloBC.com

Regional Destination Marketing Organizations (RDMO)

cover British Columbia’s six official tourism regions and work in partnership with Destination British Columbia to market each region to the world. RDMOs provide marketing opportunities for businesses in their regions, and support tourism product development. They undertake sales and marketing initiatives in key markets on behalf of the region. British Columbia’s tourism regions are:

- Cariboo Chilcotin Coast
- Kootenay Rockies
- Northern British Columbia
- Thompson Okanagan
- Vancouver Island
- Vancouver, Coast & Mountains

Visit: www.destinationbc.ca/BC-Tourism-Industry/Regional-Partners.aspx.

Destination Marketing Organizations (DMOs): Working Together

City and Resort Marketing Organizations promote a number of cities and resorts around the province. Some are membership-based organizations and others are stakeholder models that provide opportunities for their members to participate in the marketing initiatives they undertake. They work closely with both the RDMOs and Destination British Columbia to market their destinations.

Visit: www.destinationbc.ca/BC-Tourism-Industry/Community-Partners.aspx.

Chambers of Commerce are membership-based organizations that undertake local marketing of their member businesses and work closely with the RDMOs to market their destination. Many Chambers

of Commerce are also the location for the Destination British Columbia Visitor Centres, where visitors can obtain advice and information on local amenities and on traveling in British Columbia.

Sector Associations are clusters of businesses in the same tourism sector. Examples include organizations representing the cruise industry, wilderness operators, hotels and campgrounds, sport fishing operators, Aboriginal tourism operators, and agritourism operators. Sector organizations combine the resources of their members to create marketing initiatives focused on their sector, often in partnership with Destination Marketing Organizations.



6 Marketing Your Business

Profile of a Regional Tourism Association

Kootenay Rockies Tourism Chris Dadson, President (*past*)



Kootenay Rockies Tourism represents one of British Columbia's six official tourism regions. Chris Dadson has spent many years promoting the region's businesses to international tour

operators, the media and consumers. He oversees the implementation of marketing programs to support niche product sectors such as golf, ski and adventure tourism.

Chris is a champion of the concept that products gain strength together. He says, *"Small businesses have limited resources and therefore can't market everywhere. They need to be able to target their marketing expenditures on markets that are best suited to their product and on activities that will give them maximum return."*

By combining the resources of more than 100 tourism businesses into marketing initiatives that strategically target qualified markets for the region, Kootenay Rockies Tourism is able to affordably introduce small businesses into international markets.

The organization develops cooperative advertising opportunities for the region's businesses to buy into, and provides research and advice. The organization attends trade shows and consumer marketplaces, works with tour operators to develop new tour itineraries into the region, and liaises with travel media to gain coverage for the Kootenay Rockies destination.

The organization also produces visitor guides that provide valuable advertising opportunities for small businesses. The guides are distributed free of charge to media, tour operators and consumers, and are available in the Destination British Columbia Visitor Centres.

Additional Resources

Regional Destination Marketing Organizations

Cariboo Chilcotin Coast

Corporate: www.landwithoutlimits.com

Consumer: www.hellobc.com/ccs

Vancouver, Coast & Mountains

Corporate: www.vcmtourism.com

Consumer: www.hellobc.com/vcm

Northern British Columbia

Corporate: www.travelnbc.com

Consumer: www.hellobc.com/nbc

Kootenay Rockies

Corporate: www.krtourism.ca

Consumer: www.hellobc.com/kr

Thompson Okanagan

Corporate: www.totabc.org

Consumer: www.hellobc.com/tota

Vancouver Island

Corporate: www.tourismvi.ca

Consumer: www.hellobc.com/vi

Tour Operators: Your In-Market Partner

You may wish to promote your tourism product directly to the visitor, or you may wish to diversify the way your product goes into the market. The further away your target market, the more beneficial it is to work with sales partners such as Tour Operators to help you sell your product.

Tour operators can be essential in helping a small tourism business sell a product and a destination. Through their in-market sales activities and access to the international marketplace, tour operators provide small businesses with an effective and affordable connection to international consumers. There are three different types of **Tour Operators**:

- **Tour Operators** produce brochures to sell products or market via the Internet in their country or market region. They often sell through travel agents. Some also sell directly to the consumer. They sometimes contract travel services directly from suppliers, but more commonly they work through a Receptive Tour Operator.
- **Receptive Tour Operators** are business-to-business tour operators based in Canada who contract services with Canadian suppliers and then resell these services to international tour operators.
- **Tour Wholesalers** are business-to-business tour operators based in another country who contract services with Canadian suppliers or Receptive Tour Operators, and then resell these services to tour operators in their country or market region.

Tour operators contract travel services from a variety of tourism sectors such as accommodation, transportation, and recreation activities. They package these services for individual or group travellers, and then resell them to their market. They may sell their packages directly to the consumer, or work through travel agents and other tour operators. Tour operators are generally paid a commission of between 20 to 30% based on the retail price of your product.

For example, if your product has a retail selling price of \$100, and your agreement with a tour operator is to pay them a 20% commission, you will need to pay the tour operator \$20 commission, which leaves you with \$80 to cover your costs and your own profit.

“Carefully choose the Tour Operators you work with. Be sure that they value the quality and expertise of what you offer. A Tour Operator that only wants the best price is not necessarily your best partner.”

Don Travers, President
Remote Passages Marine Excursions

6 Marketing Your Business

BC Example: Working Successfully with Tour Operators

Remote Passages Marine Excursions Don Travers, President



Back in the late 1980s, Don Travers was a student in Capilano University's inaugural Tourism Management program. As a part of his studies, Don took a summer co-op position with a Tofino whale watching operation. Originally assigned to work in the reservations office, he ended up guiding whale watching excursions for the summer. Once the summer co-op program was over, he returned to Capilano College, and graduated in 1989.

Don decided that he wanted to operate his own marine exploration business for tourists, so he returned to Tofino and opened Remote Passages Marine Excursions in 1991. His vision was to help visitors appreciate the coastal environment of Clayoquot Sound through fun, educational outings that emphasize the many connections between forest and ocean ecosystems. He decided to only offer guided trips and started his business using Zodiac boats, later adding kayaks and, most recently, a 32-foot covered power boat.

At the outset, Don recognized that he could not rely on visitors just showing up at his doorstep. He needed to have a base of advance bookings so that he could properly plan his staffing and trip schedules. Therefore, working with tour operators was always a part of his sales strategy.

Don attended marketplaces where he could have face to face meetings with tour operators. He found that the international market provided great opportunities for his company. However, many of the international tour operators and tour wholesalers wanted his marine exploration tours to include accommodation, which he was not able to offer. So he teamed up with Canadian-based receptive tour operators who knew Tofino and were able to make their own accommodation arrangements. These receptive tour operators packaged his marine exploration product with local accommodation services, and then sold these packages to the hundreds of international tour operators and tour wholesalers they work with.

Soon, tour operators became his key travel trade partners and remain one of his primary sources of pre-booked business. Don still attends marketplaces such as the Rendezvous Canada Marketplace and Canada's West Marketplace® show where he meets with international tour operators and wholesalers to update them or introduce them to his products. Even though he has established good relationships with international tour operators and wholesalers, Don still encourages them to book his products through Canadian receptive tour operators, as they have proven to be a solid long-term partner for his business.

Travel Agents: “Storefronts” In-Market

In addition to Tour Operators, **Travel Agents** play an important role in selling a destination. Travel agencies are the storefront where consumers can get information on travel products, obtain brochures, receive travel advice, and book their vacation or business trip. Many travel agencies are part of a chain such as American Express, Carlson Wagonlit, Cruise Ship Centres and Uniglobe, which undertake extensive marketing to promote products and destinations.

Travel Agencies either book services directly with suppliers of travel products (such as hotels, airlines and cruises) or they book packages sold by tour operators. Travel Agencies are generally paid a commission of 10% – 15%, based on the retail price of your product.

Travel agents are travel counselors who work in a travel agency. They are there to advise customers on their travel plans as well as make travel bookings for the customer. A good travel agent who likes your product can be a great source of business for you. And, if they personally have the opportunity to experience your product and like it, they can be your best sales person.

Some travel agents specialize in a specific type of travel. Examples include cruises, luxury travel, adventure, or corporate travel. Others focus on a specific destination. Depending on what your new tourism business offers, you can benefit by developing relationships with travel agents and agencies.

“Paying travel agent commissions are a cost of distribution and a way to reward the people who bring you business.”

Marc Telio, President
Entrée Canada

6 Marketing Your Business

BC Example: Working Successfully with Travel Agents

Entrée Canada Marc Telio, President



When Marc Telio began his business in 1994, his intention was to specialize in marketing independent vacations in Western Canada to the Japanese tour operator market. However, he quickly learned that to

develop this market was going to be a long and laborious process. As a new business, he needed to get into a market that could provide him with immediate business in order to generate cash flow. So he set his sights closer to home, focusing on North America.

Marc's first step was to discover if there were possible voids in the marketplace. He found this void in the entertainment capital of the world, Los Angeles. Although there was a strong market of film and entertainment industry people travelling between Los Angeles and Vancouver, Marc discovered that no company was providing travel services for these affluent travellers once they were in Vancouver. Marc and his team set about refocusing their entire business and redesigning their product line to suit the show business traveller. This meant securing suites in hotels, private limousines, seats in the finest restaurants, and delivering a concierge level service to clients 24/7.

Marc re-branded his business, developed new marketing materials, and aligned himself with US travel agents working with the celebrity and luxury market. Entrée Canada took a partnership approach with each agency and agent by supporting marketing initiatives, developing personal relationships and consistently providing exceptional service to their clients. Entrée Canada soon developed a strong and loyal following that became a constant source of new business. Over the years, Marc has expanded his market to include selling wholesale packages to a wide range of US and International travel agencies that cater to the affluent, non-celebrity market. He has also expanded his product offerings across Canada, making his company the national leader in servicing the Canadian luxury travel market and one of the most notable tour operators in the world..

Marc believes that his success has come because he chose to work with only those travel agencies that recognized the value of Entrée Canada's services and were willing to pay the cost of exceptional service. In return, his team exceeds client expectations and treats travel agents as loyal partners. Marc does not take direct bookings from consumers. Travel agents are his sole source of business.

For more information, visit www.entreedestinations.com

Media Relations: Earning “Free” Editorial Coverage

Journalists and media outlets are extremely important partners in tourism marketing. Travellers are influenced by what they read in the news media, and editorial coverage is usually considered more credible than advertising. A good article in the right publication can mean overnight success for some fortunate businesses.

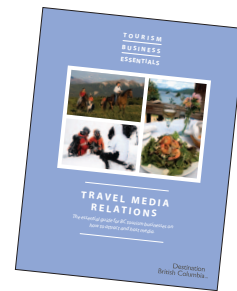
Your key media contacts will be the journalists who write for magazines, newspapers, guidebooks and a variety of online avenues (websites, blogs, etc). Other important media contacts include radio broadcasters, video producers and television crews. Journalists may be on staff at a particular publication or network; in other cases, freelance journalists work on assignment, writing specific stories assigned by an editor. Quite often, the travel editor of a newspaper also writes travel stories for the paper. It is important to note that many freelance journalists produce for a number of different print and online publications, and will have a secured assignment before writing on a particular subject.

Additional Resources

Travel Media Relations

Destination BC has developed a *Travel Media Relations* guide which will instruct you on how to build long-term relationships with the media and how to assist them to produce a good story.

For more information on other *Tourism Business Essentials* guides, workshops and webinars, visit the [Programs](#) section of the Destination British Columbia website.



6 Marketing Your Business

BC Example: Working Successfully with the Media

Rockwood Adventures **Manfred Scholerman, President**

Manfred has first-hand experience on the value of working with the media. By hosting journalists, he was able to get his tourism business profiled in leading publications and received television coverage around the world. The result was an immediate increase in business.

When he first started Rockwood Adventures in 1995, Manfred Scholerman did not know a lot about the tourism business, but he knew that Vancouver had an abundance of nature close to downtown that was not being experienced by the visitor. Manfred was determined to make this natural resource accessible and to educate the visitor on the primitive ecosystem of the local forests.

Manfred began by leading small groups on nature walks in the North Shore forests as well as on Bowen Island. Rather than taking his tours on rugged hiking trails, he led his tours along easy walking trails. This made his tours marketable to the average visitor. Manfred placed a strong emphasis on the quality of nature interpretation that he provided, to ensure that the visitor learned to appreciate the ecosystem of our coastal forests. He also provided gourmet picnic lunches, which were a big hit.

As with most small business operators, Manfred had a limited marketing budget. He looked for ways to maximize exposure for his company at minimal cost. After hosting a few local writers, the media coverage of Rockwood Adventures increased, resulting in a significant growth in business. When approached by Tourism Vancouver to host a journalist from the U.K. on his tour at no cost, Manfred felt this would be a worthwhile investment for him. He was right. The journalist wrote an article published in a major U.K. newspaper, which resulted in new business for Rockwood Adventures. This inspired Manfred to explore other international media opportunities.

His next big break came when he was featured in a 'dining al fresco' food segment on a national U.S. network. The show started with roof top dining in Manhattan, and ended up with a floatplane trip to Bowen Island where a gourmet picnic was served by Manfred. Because of that exposure the phones really started to ring. Since then Rockwood Adventures has been featured on National Geographic Traveller, on the CNN and NBC networks, and in many magazines and newspapers. His media relations activities also helped forge new relationships with Destination British Columbia, Tourism Vancouver, and tour operators. For more information, visit www.rockwoodadventures.com

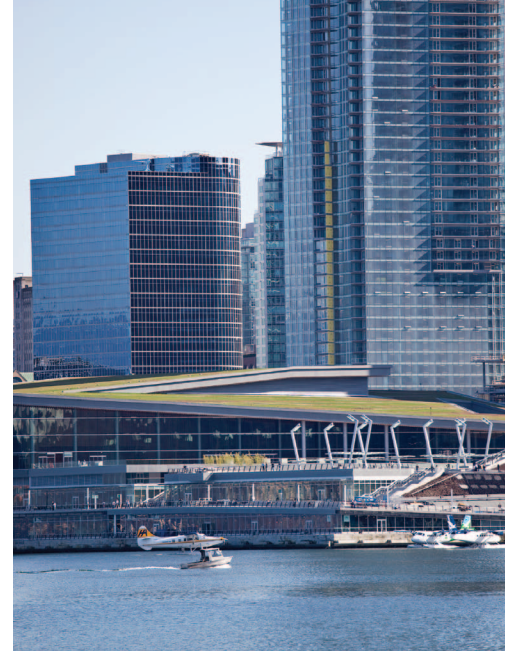
Corporate Travel Market: Accessing the Business and Incentive Traveller

Conferences, congresses, meetings, large events, incentive programs, retreats, team building, business workshops and seminars are all examples of corporate travel. This is a sophisticated market sector that requires a different approach than working with tour operators and travel agents.

To work successfully in this sector of the market, you should partner with conference service companies that specialize in managing conferences and in making arrangements for corporate meetings. Other potential partners include Destination Management Companies (DMCs) that work with corporations to deliver events and incentive programs. Additionally, many larger corporations have their own in-house staff that arrange their meetings, retreats and team building events.

“Stay flexible. Don’t fall in love with what you thought you wanted to do. Markets change and opportunities arise. Take what the market gives you.”

Jamie Corbett,
President, Canadian Outback



Vancouver Convention Centre

6 Marketing Your Business

Internet Marketing: Maximizing Your Online Opportunity

With the popularity of the Internet as a tool for planning and booking vacations, online travel companies such as Expedia and Travelocity have become an important sales channel – especially for small tourism businesses and start-up businesses.

Using the Internet to market your business is an effective and affordable way to reach the consumer market. Increasingly, travellers are turning to the Internet to plan and book their vacation.

Developing a website is a good investment for a tourism business. Your site should provide interesting, accurate and up-to-date information about your product, and should feature attractive images. This includes designing a website that is search engine friendly, registering your website with search engines, purchasing and monitoring key words (the words buyers would use when searching for your specific product, service or destination), and utilizing e-newsletters, banner ads, reciprocal links and purchased links to attract customers.

In addition to your own website, the Destination BC consumer website, **HelloBC.com** is an excellent way to promote your product to the consumer. Through this website, potential visitors can book accommodation, activities and special packages all at the same time.

Find out how to reach these consumers by contacting productservices@gov.bc.ca or visiting www.destinationbc.net.

Internet Booking Services offered by Expedia, Travelocity, HelloBC and other organizations provide a new way to showcase your product to the consumer market. It is similar to working with Tour Operators, but as the Internet is not restricted to any one market, Internet Booking Services give you the opportunity to reach a global audience, affordably. Just as with Tour Operators, these services require that you pay a commission on bookings made through them.

Shows and Marketplaces: Meeting Your Partners

Trade Shows and Consumer Shows
At trade and consumer shows, tourism businesses can target travel agents as well as consumers. Most shows provide the exhibitor with a booth or table-top exhibit space from which they can promote their products.

Partners including regional tourism associations, sector marketing organizations, and city or resort marketing organizations often invite British Columbia tourism businesses to participate in shows under their destination or sector brand. The tourism businesses represented in each booth or exhibit collectively promote their destination

or sector, benefiting all participants. This provides a cost-effective means for tourism businesses to put their product in front of a market under a common, recognizable identity.

Trade Shows: A tourism business would generally attend a trade show to promote their products to travel agents. Some trade shows are combined with a consumer show, which the public is also invited to attend. At each booth, exhibitors promote their products, distribute brochures and have a chance to meet with travel agents and consumers.

Shows and Marketplaces: Meeting Your Partners

Consumer Shows: A tourism business would generally attend this type of show if they wish to promote their products directly to the public. At their booth, exhibitors distribute their brochures and get a chance to meet interested consumers and explain their product offerings.

For a listing of consumer shows appropriate to your business, contact the regional tourism association, sector marketing organization, or city/resort marketing organization in your area.

Marketplaces

Marketplaces are business-to-business forums where tourism businesses, product suppliers and Destination Marketing Organizations can meet face-to-face with international tour operators, airlines and the travel media. Marketplaces give you the opportunity to introduce new tourism products, design new touring itineraries, keep current on market trends, and negotiate new business.

Destination British Columbia represents the province's tourism industry at key marketplaces around the world. Destination British Columbia informs the travel trade, media and consumers about the diversity of experiences and tourism products available in the province. Regional tourism associations, city/resort DMOs, sector associations, and tourism businesses may also participate and exhibit in marketplaces where Destination British Columbia is present. Other participants are positioned alongside Destination British Columbia at the marketplace to create a strong presence for the province.

The decision to attend a marketplace should be made carefully, and planned and budgeted well in advance. The total cost can range from \$3000 to \$10,000 for your registration fees, travel, display materials and brochures, plus personal expenses such as meals and accommodation.

For information on marketplaces, contact your regional tourism association at www.destinationbc.ca/BC-Tourism-Industry/Regional-Partners.aspx.

Or visit the Events section of the Destination British Columbia corporate website at www.destinationbc.ca/Events-Listing.aspx.

6 Marketing Your Business

Marketing and Advertising: Making an Impression

Even with an effective web-based advertising campaign, it may also be necessary to produce and maintain a supply of printed brochures and other print materials. Brochures will generally reach the local market, as well as visitors to the region who stop at a Visitor Centre to obtain travel and tourist information. Brochures can also be distributed through direct mail, private distribution services, and brochure racks at key locations such as ferry terminals or airports.

You may also want to advertise in selected magazines, newspapers, directories or other publications that reach your target market. To help share the cost, regional tourism associations and tourism sector groups provide their members with cooperative advertising opportunities. Many advertising initiatives are supported with funding from Destination British Columbia through the Tourism Partners program (www.destinationbc.ca/Programs/Regions,-Communities-and-Sectors/Regional-Tourism-Programs.aspx) and Community Tourism Opportunities programs (www.destinationbc.ca/Programs/Regions,-Communities-and-Sectors/Community-Tourism-Programs/Community-Tourism-Programs-Community-Tourism-Programs.aspx).

As well, you may wish to look into advertising in Destination British Columbia's *Vacation Planner*, *Outdoor Adventure Guide*, and *Approved Accommodation Guide*. Destination British Columbia sends these guides primarily throughout North America, but also overseas, in direct response to consumer inquiries. These guides are also distributed at marketplaces, at trade and consumer shows, to the media, and through the Visitor Centre network.

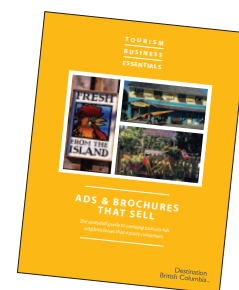
There are many other marketing opportunities to explore with Destination British Columbia. For more details on all the programs that connect your business to the consumer, visit www.destinationbc.ca/Programs/Consumer-and-Industry.aspx.

Additional Resources

Ads & Brochures That Sell

Destination BC has developed an *Ads & Brochures That Sell* guide which focuses on two important business tools – brochures and print ads. Whether you do it yourself or work with a designer, this guide will help you understand how to create compelling, attractive promotional material, and how to avoid common mistakes along the way.

For more information on other *Tourism Business Essentials* guides, workshops and webinars, visit the [Programs](#) section of the Destination British Columbia website.



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Helpful Tourism Publications and Resources

Lists of Tourism Industry Contacts can be found within the BC Tourism Industry section of the Destination British Columbia corporate: www.destinationbc.ca.

Helpful Publications

Tourism Business Essentials Series

The Destination British Columbia *Tourism Business Essentials* series of guides provides tourism operators with valuable information on key aspects of running a successful tourism business. The series covers the following topics and more:

Fundamentals for Tourism Businesses
Employees First
Sustainable Tourism
Ads & Brochures that Sell
Travel Media Relations
Sport Tourism
Mountain Bike Tourism
Online marketing
Online Reputation Management

You may download these guides online by visiting the [Programs](#) section of the Destination British Columbia corporate website.



Canadian Tourism Commission

The Canadian Tourism Commission (CTC) produces a number of publications which are made available to the tourism industry. Please visit en-corporate.canada.travel.

Trade E-newsletters

Many destination and sector organizations provide trade-related e-newsletters which are useful for staying in touch with what is happening in the tourism industry. Some are for members-only, some have a cost and others are free, but require that you register for the e-newsletter. The following is a selection of helpful e-newsletters for the Canadian travel trade:

- Canadian Tourism Commission's Tourism Daily en-corporate.canada.travel/industry/news
- Tourism Industry Association of BC Tourism News: www.tiabc.ca/newsletter
- Travel Industry Association of Canada TIAC Talk www.tiac.travel.
- Check with your regional and local Destination Marketing Organization to see if there is a newsletter you can sign up for to stay informed. For a list of Regional Destination Marketing Organizations, visit www.destinationbc.ca/BC-Tourism-Industry/Regional-Partners.aspx.

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Helpful Tourism Resources & Publications

Helpful Resources

TOURISM INDUSTRY ADVOCACY

Tourism Industry Association of Canada (TIAC)

Phone: (613) 238-3883

Fax: (613) 238-3878

Email: info@tiac-aitc.ca

Website: www.tiac-aitc.ca

Tourism Industry Association of BC (TIABC)

Email: info@tiabc.ca

Website: www.tiabc.ca

SECTOR TRADE ORGANIZATIONS AND ASSOCIATIONS

For a list of Industry Partners, visit [www.
destinationbc.ca/BC-Tourism-Industry/
Industry-Partners.aspx](http://www.destinationbc.ca/BC-Tourism-Industry/Industry-Partners.aspx).

For a list of Tourism Industry Resources, visit
www.destinationbc.ca/Resources.

For a list of Tourism Industry Programs, visit
www.destinationbc.ca/Programs.aspx.

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