



PROSPECTS FOR WINTER VISITOR PRODUCTS A Travel Juneau HIVE Discussion

Introduction

As a destination, Juneau's scenic beauty, quick access to nature and the Tongass National Forest, fresh air and water, and moderate climate make it a prime destination for independent adventurers and cruise passengers. An entire industry has grown around showing off our home to visitors, sometimes 12,000 or so daily between May and the end of September.

Come early October, however, with shifts in the weather that herald winter, Juneau and Southeast Alaska in general may seem less appealing. The cruise season over, local excursion operators, some restaurateurs and retailers close their operations and run their last seasonal payroll. There doesn't seem to be much incentive to lure independent travelers as rain, wind, and short daylight hours can make being outdoors miserable for those unaccustomed to a Southeast fall and early winter.

To help balance visitation and create more year-round opportunity, Travel Juneau, in November 2019, posed problem questions to a group of stakeholders: what are the opportunities and risks in developing winter visitor products?

The group determined that the greatest opportunities for growing winter visitor products lie in packaging outdoor and local experiences, while the greatest challenges to development and deployment include the cash outlay for insurance, staffing, and permitting and unpredictable and/or rough weather, which impacts all inbound transportation.

Background

Juneau's summer visitor industry dwarfs the winter season, although Juneau enjoys increased visitor traffic during Legislative Session, when many organizations fly in to meet with their legislators and have a board or strategy meeting, or perhaps host a reception. Typically, it's difficult to secure rooms for meetings downtown during Session.

Travel Juneau has made inroads in the Pacific Northwest by promoting Juneau as a weekend getaway, but Juneau lacks product – excursions or guide-led activities, and more – for our winter visitors. Combined with typical fall/winter weather, the lack of seasonal visitor product also hampers TJ's efforts in securing meetings and conventions.

Despite these circumstances, the visitor industry enjoys continued growth, providing opportunity for entrepreneurs and generating \$1.7B in economic activity. As noted previously, much of Alaska's visitor industry is highly seasonal, especially in Southeast.

As the City & Borough of Juneau's (CBJ) economic plan calls for increased winter tourism that includes Travel Juneau's promotion of Eaglecrest and Juneau as a year-round destination, TJ took the opportunity

to host a HIVE education event in conjunction with International Entrepreneurship Week to discuss possibilities to develop fall/winter visitor products. Invitations were sent to TJ partners, the Greater Juneau Chamber of Commerce, Juneau Economic Development Council (JEDC), and Downtown Business Association members. Thirty-five community members and six TJ staff gathered for two hours to workshop the issue on November 21, 2019. The agenda was designed to get the perspectives of Juneau business owners on the potential for developing and launching new visitor product, potential risks, and ways to mitigate those. Participants were seated randomly at tables and TJ staff served as table facilitators/recorders.

Workshop agenda and discussions

We presented two kick-off questions:

- 1) *what does Juneau offer now, and*
- 2) *what should it offer winter visitors?*

Responses for the first question were evenly spread among Juneau's natural setting and current winter activities like ice skating, skiing and other outdoor sports, and indoor sports. The group also identified Juneau's proximity to Seattle and the community's growing restaurant and beverage options as current assets.

Responses for the second question centered around the development of more outdoor activities and events like a winter triathlon, cabin/hut ski circuit, winter "glamping" and similar activities. The group also noted a need for improved public transportation, more packages and events (of all types) for winter visitors.

The group then worked through three rounds of analysis:

1. Juneau's strengths and/or unique traits that we could build upon
2. Challenges and risks associated with developing winter visitor products
3. Ways to neutralize those risks, and products that might emerge

In Round 1, the group identified four main areas of strength for the winter months:

- Juneau's arts and culture scene (visual and performing arts).
- Outdoor recreation offerings (skiing, cabins, hiking, Mendenhall Glacier)
- Winter's sense of quiet, remoteness
- Juneau's scenic and natural beauty

Participants shared the idea of "Juneau time," when the arts community, including Perseverance Theatre and Juneau Symphony, open their seasons. Many expressed that more could be done to include Juneau's remoteness and proximity to wilderness in new products that could include cross-country skiing and winter camping; Juneau could take advantage of its relatively mild winters.

In Round 2, the group identified five main areas of risk, or challenge to product development:

- Disruptions for inbound air traffic, including weather and lack of Delta service in winter
- Risk of cash investments, including paying for insurance/liability, start-up and operational costs
- Lack of available staff and staff housing
- Closed retail and food trucks, making it more difficult to market new excursions and activities

- Lackluster ground transportation once in destination
- Perception of winter climate – darkness, and changing climate making snow-based products even riskier

This round generated lots of discussion. Since many participants were business owners and higher-level management staff, they have an unfiltered view of these challenges. Many tables talked about the high investment costs and the cash risks associated with delayed or cancelled flights and/or the need to cancel excursions or treks because of weather in Juneau.

Staffing creates another major challenge: the majority of seasonal staff are students or young adults, many of whom need to leave the season early to get back to school or to their next industry contract. And, as the legislature starts up in January, housing stock becomes even tighter. A couple of participants shared that they have some year-round staff that could fill new positions, but most were not sure how to overcome this hurdle.

In Round 3, the group identified three main areas of opportunity and mitigating risk:

- New activities aimed at locals that will also attract visitors (the group also acknowledged the need for organizational hosts)
 - a winter lights, darkness, or rain festival
 - winter scavenger hunts
 - mine tours
- Base new activities on outdoor recreation
 - winter mountain biking
 - hut-to-hut trail development
 - rain and winter gear rentals
 - Nordic ski events
- Package deals around already-established events and meetings, and market those
 - “Juneau Stopover” package
 - “Live Like a Local” package
 - High-end “Winter Adventure” package
 - “Family-friendly” or “Getaway on a Budget” package

All of these opportunities play into anecdotal information that new destination product should be developed *for residents*. Visitors want to take part in events and activities that locals enjoy, and building an attraction just for visitors is a mistake. Additionally, the packages that emerged from this brainstorming are examples of stand-alone deals that could also be marketed to meeting planners as pre/post-meeting “bleisure” options.

As a final exercise for the workshop, the table groups were asked to list the greatest challenges to winter visitor product development. Responses fell into these idea categories:

- darkness/rain, fall and early winter weather in general
- reduced airlift and weather-related flight delays
- staffing and staff housing
- developing new events, and who will host/own them
- getting vendors interested in the idea of winter excursions and to take the risk

- travelers' perceptions of Juneau in winter

The groups then listed the greatest opportunities and circumstances for product development. The most frequently noted ideas:

- generally lower-cost lodging in fall and winter
- the current inventory of public-use cabins, with an eye toward further development
- accessibility to the wilderness and outdoor recreation
- packages around events, and pre/post-meeting packages

Conclusions

The issues, concerns, and ideas generated at the HIVE workshop mirror the results of Travel Juneau's 2018-19 DestinationNEXT (DNEXT) survey of industry and city stakeholders and residents: they recognize the power of the Juneau brand (exceptional beauty and outdoor recreation experiences and opportunities) and the shortcomings of air access and ground transportation. DNEXT also indicated that the community recognizes a lack of year-round events that attract visitors, and that the hospitality industry struggles to attract and retain a high-quality workforce. However, respondents also noted the need and opportunity to encourage year-round businesses and further develop Juneau as a winter destination. (DNEXT survey results are available on the Travel Juneau website).

The participants of the November HIVE workshop were highly engaged and knowledgeable in the industry. They understand and want to address the need for additional winter visitor product while also identifying significant hurdles to product development, many of which we have no control over. This sets up a risk scenario or dilemma:

- If we invest in, develop and deploy product, there's a high probability of having visitors/clients weathered out, negating the investment of time, effort, and resources.
- If we do not invest in, develop and deploy product, we reduce the reasons and incentives for visitors to fly or ferry into Juneau.

Overall, the consensus at this workshop was that developing additional winter product is worthwhile, and that effort should begin with creating and marketing packages of currently available winter opportunities. Over time, this effort would yield data about winter market potential and future development opportunities. The group indicated they would like to reconvene to further discuss the topic, refine their ideas, find ways to create Juneau visitor packages to be marketed by Travel Juneau.

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