



# THE POWER OF PACKAGING

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WORKING BETTER TOGETHER



# OUTLINE

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- Know Your Destination - Know Your Market
- What is Packaging
- Importance of Travel Trade
- Current Packaging in Alaska / in Mat-Su
- Think Outside the “Package”
- Questions

# KNOW YOUR DESTINATION – KNOW YOUR MARKET

- How do they come?

	Palmer / Wasilla	Talkeetna
Cruise	8%	39%
Air	80%	55%
Highway	12%	6%
Been to AK Before	53%	31%

	Palmer / Wasilla	Talkeetna
Tour Bus / Van	10%	38%
Rental Vehicle	45%	34%
Alaska Railroad	12%	42%
Personal Vehicle	32%	14%
Air	12%	12%
Rental RV	9%	6%
Personal RV	7%	3%

- Top Activities
  - Shopping, Wildlife Viewing, Flightseeing, Hiking/Nature Walk, Train, Cultural Activities

# IMPORTANCE OF INTERNET

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- Internet including apps and Travel Agent Usage:

	Palmer / Wasilla	Talkeetna
Used Internet	85%	78%
Booked Over Internet	76%	65%
Used TravelAlaska.com	33%	32%
Booked Through Travel Agent	11%	34%

# AVERAGE SPENDING

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- Visitor Expenditures, Per Person:

	Palmer / Wasilla	Talkeetna
Tours / Activities / Entertainment	\$18	\$62
Lodging	\$35	\$36
Gifts / Souvenirs / Clothing	\$14	\$15
Food / Beverage	\$53	\$34
Rental Cars / Fuel / Transportation	\$43	\$5
Other	\$88	\$15
<b>Average Spent in Community</b>	<b>\$251</b>	<b>\$169</b>
<b>Average Total Spent in Alaska</b>	<b>\$1,629</b>	<b>\$1,815</b>

# WHO VISITS THE MAT-SU?

	Palmer / Wasilla	Talkeetna
<b>Origin</b>		
Western US	41%	29%
Southern US	21%	24%
Midwestern US	18%	22%
Eastern US	10%	14%
Canada	2%	2%
Other International	9%	10%
<b>Gender</b>		
Male	50%	50%
Female	50%	50%
<b>Education</b>		
College Graduate	58%	67%
<b>Average household income</b>	\$106,000	\$117,000
<b>Average Age</b>	51.3	54.8
<b>Average Group Size</b>	2.4	2.5
<b>Average Party Size</b>	3.6	4.1

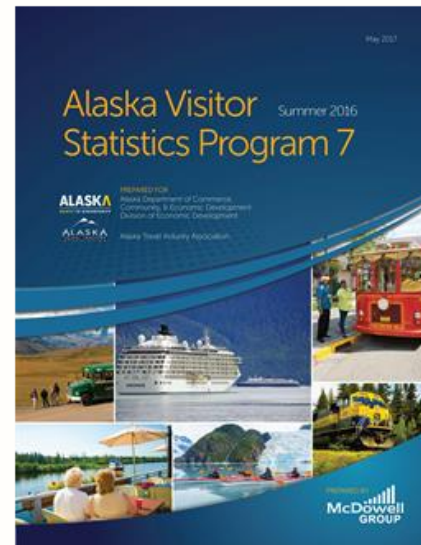
McDowell Group – AVSP VII –  
Summer 2016



## Alaska Visitors Statistics Program (AVSP) VII

The most comprehensive research about Alaska's visitors is now available. The survey conducted in summer 2016 shows a 4% growth in visitation resulting in \$1.97 billion in visitor spending. A large portion of the bump can be attributed to an increase in air volume, which went up by 6 percent. Those arriving by cruise ship accounted for 55 percent of visitors, totaling 1,025,900 people in summer 2016. The highway/ferry market saw the biggest jump, going up 10 percent over the past year and now accounting for 5 percent of total summer visitor volume.

The report is divided into 20 sections to make finding detailed information about your community, region and business-type easy. Be sure to check out the profiles on international visitors, cruise visitors, repeat visitors, adventure travelers, independent travelers and more! Learn how each type of traveler planned their trip so you can make informed marketing decisions.



Click any of the links below to either download the entire report or any section.

<a href="#">Complete AVSP VII Report</a>
<a href="#">0. Cover and Table of Contents</a>
<a href="#">1. Executive Summary</a>
<a href="#">2. Introduction</a>
<a href="#">3. Visitor Volume</a>
<a href="#">4. Visitor Profile - Trip Purpose, Packages, Transportation, Length of Stay, and Lodging</a>
<a href="#">5. Visitor Profile - Destinations and Activities</a>

# EXERCISES

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- 1 – Understanding Your Destination
  - Worksheet 1
  
- 2 – Identifying Your Target Audiences
  - Worksheet 2



# WHAT IS PACKAGING?

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- Linking of individual products and services into a single experience, often for one price
- Combines 2 or more products
  - Transport
  - Accommodations
  - Meals
  - Attractions
  - Entertainment

# WHAT ARE THE BENEFITS?

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- For Customer
  - Customer Convenience
  - **Savings**
  - Ease of Payment & Planning
  - Low Stress
- For Business
  - Increased business through referrals
  - Joint advertising
  - Provides exposure for newer businesses and the opportunity to partner with well-established businesses
  - Encourages participation in tourism development

# WHAT ARE THE DISADVANTAGES?

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- Lack of control over overall experience
- Quality of partnerships
- Division of profit may be difficult

# WHO BUYS PACKAGES?

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- Older Generation
- Families
- Groups & Individuals
- Travel Trade
- Just About Everyone... If it makes sense

# IMPORTANCE OF THE TRAVEL TRADE

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- Who is the travel trade?
  - Airlines
  - Cruise Lines
  - Travel Agents
  - Tour Operators
- Why are they important?

# PACKAGE ESSENTIALS

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- Timing
- Pricing
- Theme / Relationship
  - Wedding Specials
  - Bucket List Travel
  - Culinary Packages

# TIPS FOR SUCCESSFUL PACKAGING

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- Define what you want to achieve
- Define your target market
- Ensure you can fulfill the demand
- Trusted cluster of partners
- Add value
- Timing for your package
- Package price
- Name your package
- Test your package
- Promote your package
- Deal with enquiries promptly
- Seek feedback & measure your success

# CURRENT PACKAGES IN ALASKA – IN MAT-SU

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- Cruise Line Shore Excursions
- Fishing Lodges
- Who is currently packaging?



# TYPES OF PACKAGES – THINK OUTSIDE THE ‘PACKAGE’

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- Accommodation bundle
  - Room, transportation, meal
- Tours
- Attractions
- Experiences
- Ideas? – Think outside the ‘package’

# ASSET ANALYSIS

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- Completed Market Analysis
- Identify key dates / events
- Identify what your competition is offering
  - Gives you an idea of competitor's prices
- Identify possible businesses to partner with
- Where to get this information?

# EXERCISES

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- 3 – The Hook
  - Worksheet 3
- 4 – Developing a Package
  - Worksheet 4
- 5 – Developing Your Action Plan
  - Worksheet 5



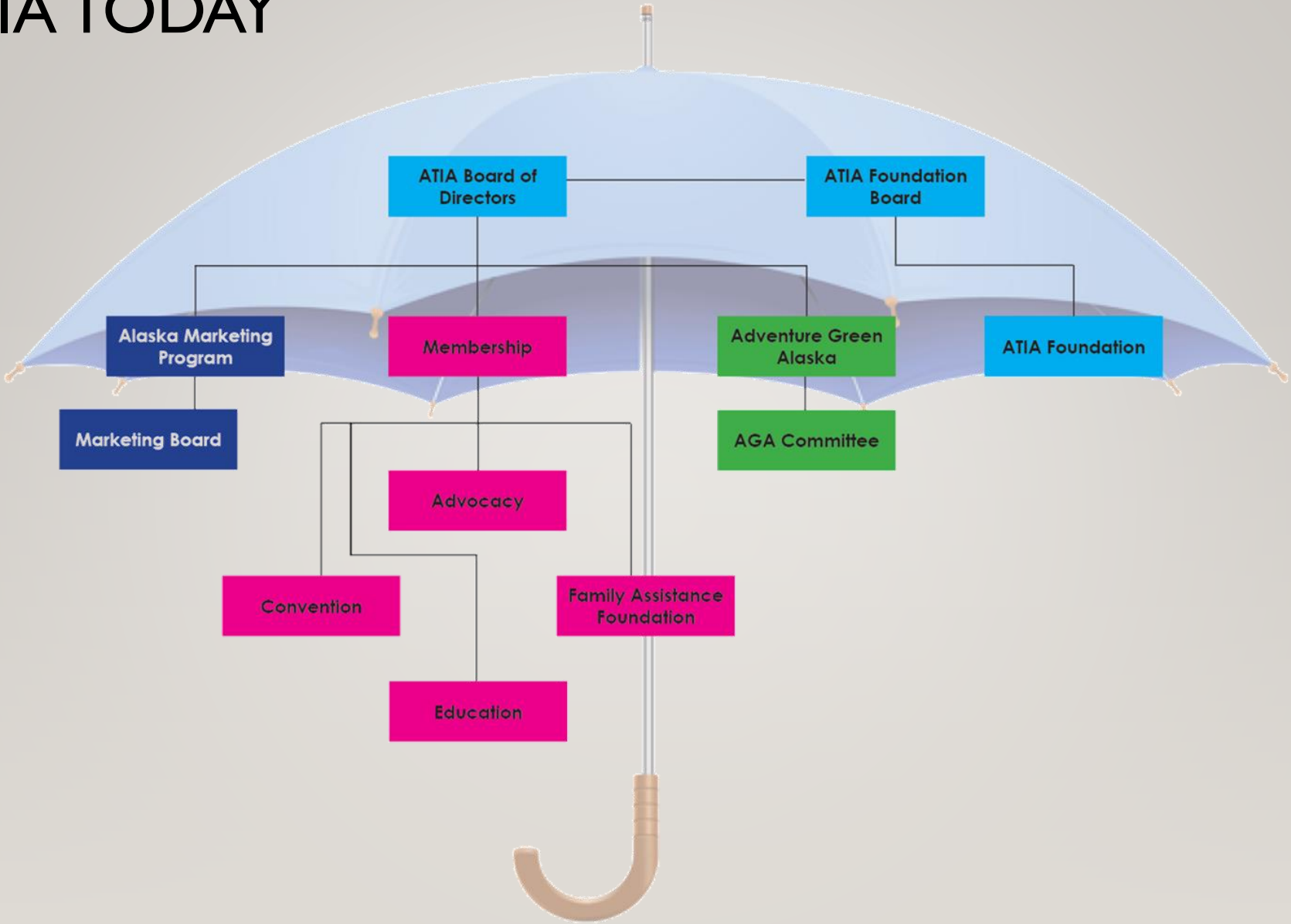
**WHERE DOES ATIA FIT IN THE  
BIG PUZZLE OF THE VISITOR  
INDUSTRY?**

# ATIA'S VISION

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Alaska is a top visitor destination and is one of the state's major economic forces, while remaining attentive to the care of the environment, recognizing our diverse cultures and Alaska's unique quality of life.

# ATIA TODAY



# ATIA TODAY

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- Member-Based Association
  - Over half, less than 5 employees
  - More than 1/3 describe themselves as tour operators
  - Representation from bed and breakfast owners to large cruise ships
  - DMO membership – 20% discount on ATIA membership for members in-good-standing at:
    - Visit Anchorage, Valdez CVB, Explore Fairbanks, Mat-SU CVB, KPTMC, Juneau CVB, Ketchikan VB, Discover Kodiak

# THANK YOU!

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