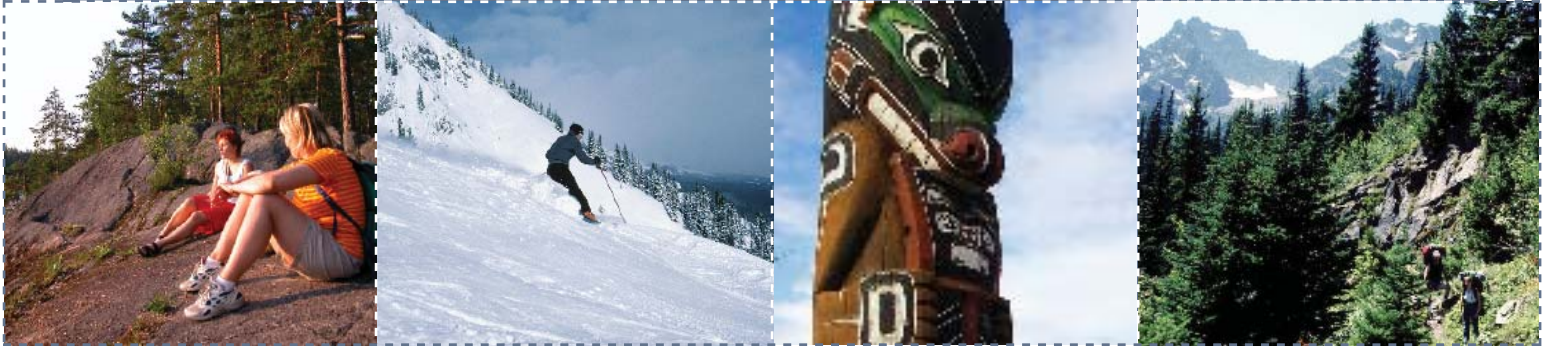


Council of Tourism Associations of British Columbia

Possible Future Scenarios for the BC Tourism Industry



Resulting from a workshop carried out on January 18th and 19th, 2006, under the leadership of the Council of Tourism Associations of British Columbia, the following four scenarios have been identified as divergent possible futures for the British Columbia tourism industry to 2020 and beyond. In describing these scenarios, it was anticipated that the industry would be in a better position to consider some of the possible outcomes of various policy choices and potential shifts in social, economic, or natural environments, and how these factors may impact tourism operators across the province.

Scenario 1: BC Uncorked: In this best case scenario, the tourism industry in British Columbia is expected to flourish in an environment of supportive government, predictable operating environments, and increasing collaboration and cooperation among operators. Increased interest and funding from provincial and federal governments enables partnerships in the industry, creating in turn an environment of innovation, creative change, and shared effort to maximize the returns from the Olympic bid. This will further contribute towards a strong and vibrant tourism sector for years to come. Planning for challenges such as the skills shortages (a shrinking labour force) and the need for industry diversification is coordinated, resulting in positive change, a successful Games and a positive experience for travelers.

Scenario 2: Ever Ready BC: In this second case scenario, while there is also increasing coordination and support across the industry, external forces impact negatively on the tourism operating environment. Increasingly the impact of climate change is felt locally in diminished snow packs and events such as the pine beetle infestation. These changes motivate the industry and government to work together through cross-sector planning which supports a robust tourism sector. Land use decisions (including native land claim settlements) begin to meaningfully incorporate the potentials of tourism, and operators build creative partnerships to meet the challenges of a changing natural and social landscape. Strategies to cope with challenges such as labour shortages, as well as comprehensive disaster recovery planning for the province, support a growing industry. Tourism continues to flourish despite a less stable environment.

Scenario 3: BC Titanic: As implied by the name, in this worst-case scenario faulty planning is compounded by a series of external shocks (such as a brief outbreak of Avian flu) leading to a collapse of the industry. Ineffective leadership, poor coordination, and a lack of vision for the future lead to declining viability for the industry, and visitor experiences reflect this reality. Poor responses to these external shocks tarnish the image of BC internationally, and insurance rates sky rocket. Poor planning for the Olympic Games has catastrophic implications for the industry, ultimately resulting in a highly-visible failure for tourism in British Columbia. Visitors begin to avoid the province as a destination and the revenues from tourism plummet. This vicious cycle increasingly undermines the sustainability of the industry, and government interests turn elsewhere.

Scenario 4: Paradise Mismanaged: In this scenario poor management, lack of coordination, and the absence of a coherent vision for the future drive a swift decline in the industry, ultimately resulting in a precarious position for tourism in British Columbia. Failure to engage the public and communities in the Games and an overriding focus on the economic bottom line (at the expense of social and environmental considerations) reflects a silo mentality which supports financial returns but little in the way of sustainable growth for local communities from the Games. At the same time, increasing United States and Canada tensions impact local attitudes, and Americans increasingly feel unwelcome in British Columbia. Unrealized community benefits result in diminished public support for the Olympics and tourism, and intrusive security measures along with a general lack of hospitality lead to 2010 being dubbed "The No Fun Games". Government and public support for a fragmented and uncoordinated industry wanes, and British Columbia is increasingly perceived as an expensive and unattractive destination. The industry is left disconnected and demoralized.

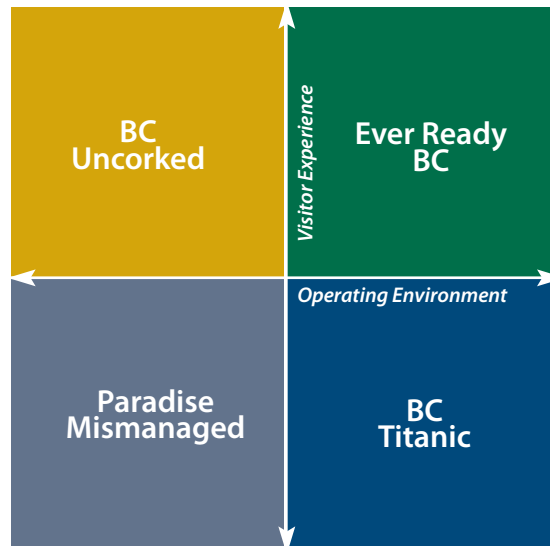
Summary Scenarios Scaffold

Positive Visitor Experience

- diverse, affordable range of products
- information easy to access
- accessibility to destination
- unique quality experience
- tailored to preference
- ease of communication (language options)
- flexible and responsive
- feeling of security / safety
- sustainable
- BC brand distinctive, attractive, meets and exceeds expectations
- hospitable

Predictable Operating Environment

- price stability
- meets customer expectations
- quality “guaranteed” carrying capacity
- labour supply stable
- visitor well served
- BC reputation as destination growing
- confidence in the product
- room for growth for experience diversity
- range of selection
- infrastructure (hotels, roads, bridges)



Volatile Operating Environment

Environment

- rampant deforestation
- historical weather patterns change, no snow in mountains, no fish, wild fires / floods

Social / Cultural

- pandemic flu strikes, high fear, borders close
- labour issues, cultural alienation / fragmentation, prejudice / intolerance / ignorance
- high crime / poverty

Economic

- community economic development challenges, recession, oil / resources costs / scarcity
- shifting economic power, affordability challenged
- high taxation
- massive technical failures

Negative Visitor Experience

- hidden fees
- expensive / unaffordable
- inconvenient information and physical access
- typical / unoriginal experience
- poor service / unfriendly tourism staff
- unfriendly locals
- similar products offered elsewhere
- difficult navigation to province and within province
- one size fits all products
- communication problems
- feelings of insecurity (crime, health, homeless communities)

Adapted by Elevate Consulting from the report "The BC Tourism Experience in 2020 and Beyond - Four Divergent Scenarios, "Fifth Draft, February 2nd, 2006, Britannia Strategy Management Inc.