

TOURISM DEVELOPMENT ZONE

Lethbridge to Medicine Hat



**DISCOVERY
REPORT
2023**

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Front cover:
Medicine Hat

Medalta in the Historic Clay District, Medicine Hat

PREFACE

To achieve their full potential as integral parts of Alberta’s evolving identity as a tourism destination, communities within the Lethbridge to Medicine Hat Tourism Development Zone (TDZ) require an unprecedented commitment to prioritize tourism. In order to build a sustainable and prosperous local tourism industry, communities, industry partners and other stakeholders must come together to address gaps and quality issues in existing tourism products and services, enhance quality of life for residents, preserve the area’s archeological and world heritage sites and protect the ecology of the natural environment.

This Destination Development Discovery Report for the Lethbridge to Medicine Hat TDZ:

- Highlights those tourism assets most likely to attract high-value visitors from across Canada, as well as summer drive-through traffic from the U.S.
- Provides insight into the area’s natural, cultural, and economic environments
- Identifies specific challenges facing this TDZ and proposes initiatives to address them
- Builds a strong business case for investing in the communities in and around the Lethbridge to Medicine Hat TDZ in order to catalyze future growth and prosperity
- Demonstrates that Medicine Hat’s geographical location acts as a gateway to both the Canadian Badlands and the Highway 3 corridor to Lethbridge
- Supports the development of Lethbridge to Medicine Hat as one of Alberta’s agricultural and culinary tourism hubs

This Discovery Report informs and identifies specific actions Travel Alberta, the Government of Alberta, and local communities should take to support the design of a comprehensive Destination Development Plan. This report aligns the tourism development ambitions of local stakeholders with the province’s goal to double tourism revenue by 2035.

It is important to note that this Discovery Report is a living document and will continue to evolve to reflect ongoing work, including Indigenous engagement that is currently underway.



Galt Museum, Lethbridge

03 INTRODUCTION



Cypress Hills Interprovincial Park

LAND ACKNOWLEDGMENT

In the spirit of respect, reciprocity and truth, we honour and acknowledge the traditional territories of the many First Nations, Métis, and Inuit in Alberta. We value these sacred gathering places and aim to inspire others to appreciate and embrace stewardship of the land as they explore our great province.

The Lethbridge to Medicine Hat TDZ lies at the intersection of a number of historical and present-day lands that Indigenous Peoples have cared for and lived on for generations. We honour the traditional lands of the Treaty 4 and 7 signatories, including the Blackfoot Confederacy, Tsuut'ina, Stoney Nakoda, Cree, Saulteaux, Nakota, Dakota, and Lakota homelands. We also acknowledge members of the Foothills Métis District and Medicine Hat Métis District within the homeland of Métis and the Otipemisiwak Métis Government, as well as Indigenous Peoples living in urban areas from Lethbridge to Medicine Hat. We also acknowledge that modern borders do not align with traditional land use, and we honour the neighbouring Indigenous communities who have travelled and inhabited this land throughout history.



Treaty 7

APPRECIATION

Travel Alberta would like to thank all those who participated in the creation of this Discovery Report.

Please note, Indigenous engagement is currently underway.

- **Amy Allred** - economic development officer, Town of Taber
- **Jace Anderson** - executive director, Tourism Medicine Hat
- **Sean Blewett** - general manager, Community Futures
- **Peter Casurella** - executive director, Southgrow
- **Erin Crane** - chief executive officer, Tourism Lethbridge
- **Michelle Day** - executive director, Nikka Yuko
- **Kerry Godfrey** - dean, Dhillon School of Business
- **Anne Jensen** - office manager, Taber Chamber of Commerce
- **Trevor Lewington** - chief executive officer, Economic Development Lethbridge
- **Sarah Mackenzie** - board member, Medicine Hat College
- **Tracy Noullett** - board chair, Tourism Medicine Hat
- **Mike Onieu** - executive director, Medalta
- **Tracy Stroud** - manager, APEX
- **Mike Warkentin** - chief executive officer, Lethbridge and District Exhibition

COMMITMENT TO SUSTAINABILITY & REGENERATIVE TOURISM

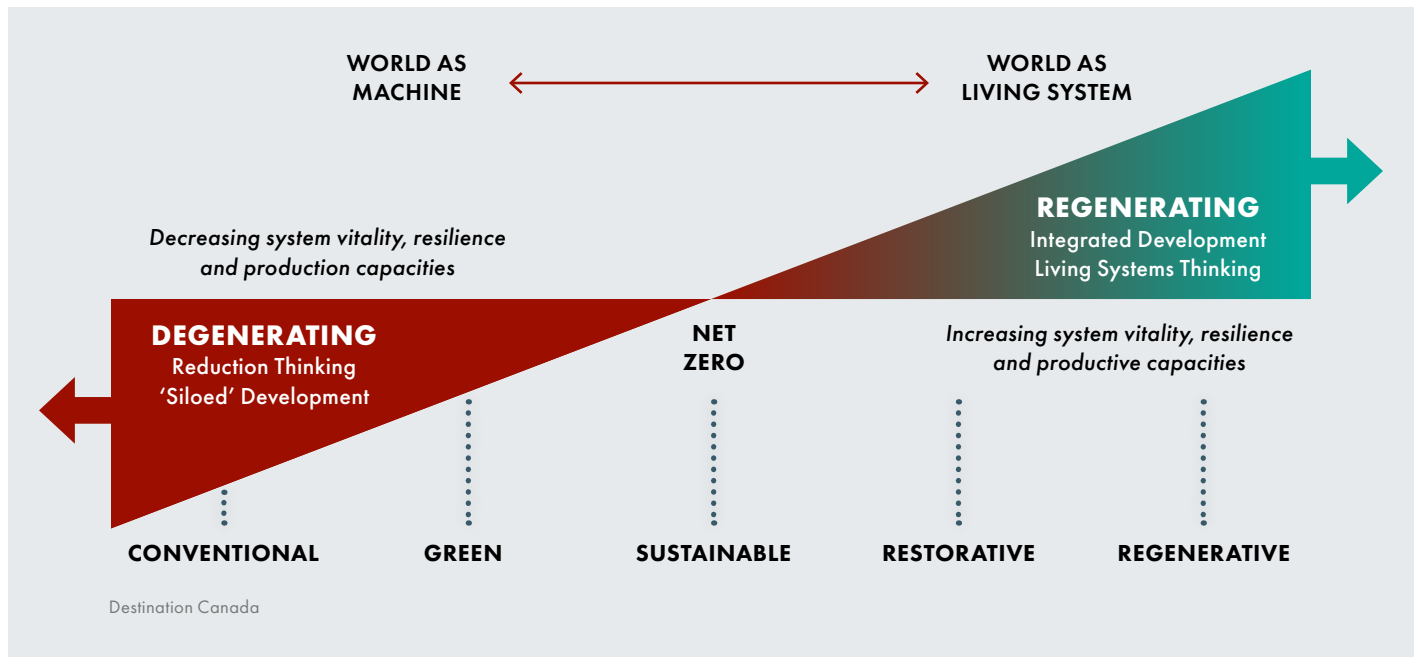
Tourism is a key economic sector in Alberta with strong potential to diversify the economy, create jobs, grow Indigenous tourism businesses, bring the “taste of place” to our guests’ tables and build vibrant communities. It also allows us to preserve and share culture and history, maintain or enhance the environment and foster innovation.

However, as outlined in Destination Canada’s report titled, “A Regenerative Approach to Tourism In Canada”, more and more communities are rejecting uncontrolled tourism development. The rising sentiment is that current approaches:

- Are too often extractive and degenerative
- Reduce quality of life for residents
- Damage ecosystem health
- Diminish local culture and community in the interest of efficiency and scale

An alternative approach is gradually emerging — and in many ways re-emerging. It recognizes the world not as a machine but as a living ecosystem, with humans playing an integral part. And it is from this worldview that the concept of regeneration arises.

Spectrum of Worldviews & Strategies



The Yard, Medicine Hat

TOURISM DEVELOPMENT ZONES

Collaborating with Communities

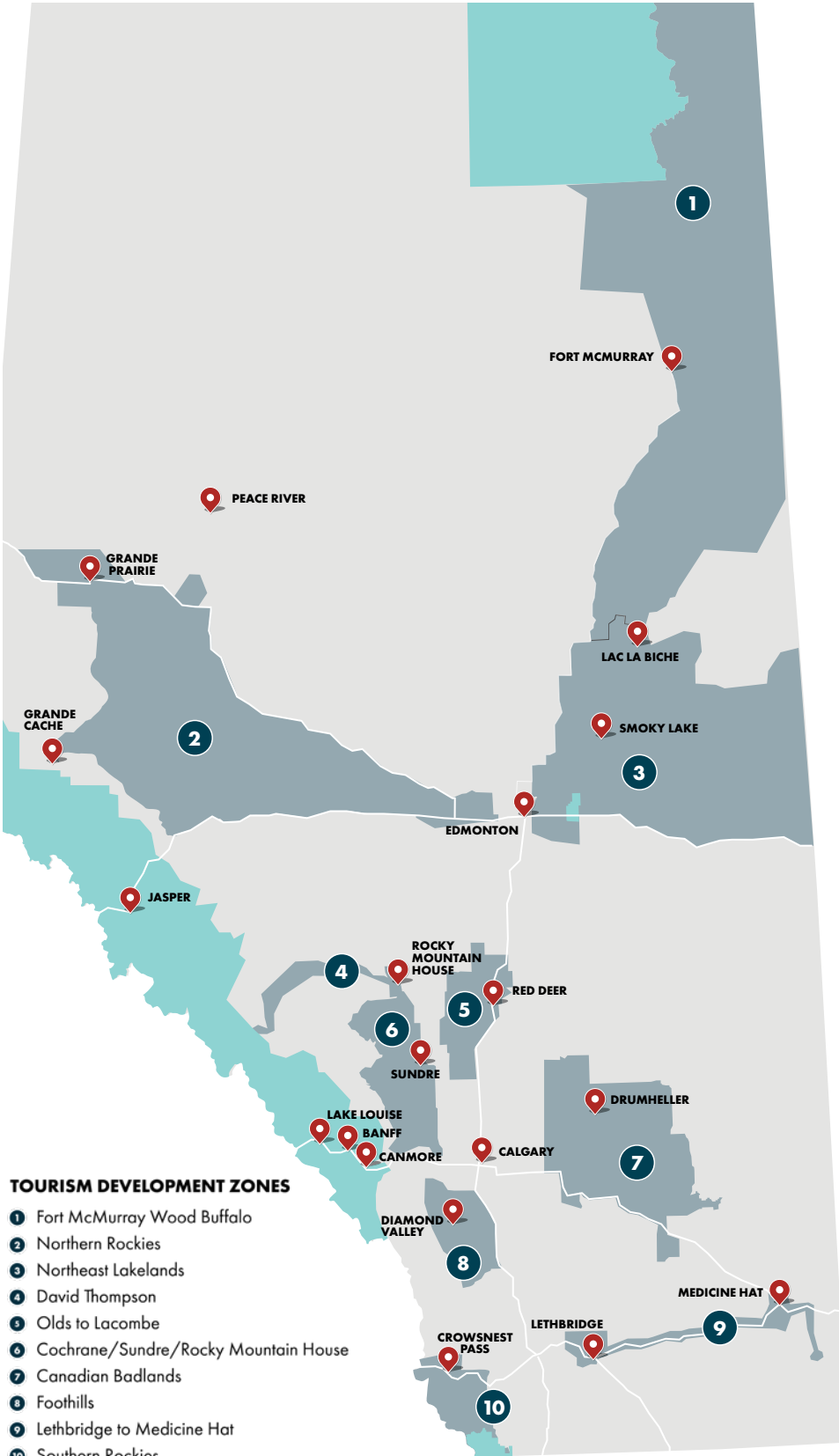
Pre-pandemic, nearly 60 per cent of visitation and 75 per cent of tourism expenditures occurred in the mature tourism destinations of Banff, Lake Louise, Canmore, Jasper, Calgary and Edmonton. By developing additional “emerging” destinations, we expand opportunities for Albertans to explore their own backyard, creating more space for international visitation in legacy destinations while reducing Alberta’s traveller deficit.

To support tourism development in these emerging destinations, Travel Alberta identified 10 Tourism Development Zones (TDZs) across the province with a high potential for tourism growth over the next 10 years. With successful and sustainable development, these destinations will have the ability to make a meaningful contribution to Alberta’s visitor economy.

In partnership with communities and stakeholders, Travel Alberta has co-developed a series of TDZ Discovery Reports. These Discovery Reports will inform and guide our future Destination Development Plans that include medium- and long-term strategies to contribute to the growth of Alberta’s visitor economy across many high-potential regions of the province.

Together with industry, Indigenous Peoples, government and residents across each TDZ, we strive to:

- Grow & diversify the economy
- Support jobs
- Preserve cultures
- Foster innovation
- Conserve the environment
- Improve resident quality of life



DESTINATION DEVELOPMENT PLAN

A Destination Development Plan (DDP) is a 10-year strategic roadmap to optimize and future-proof the potential of a zone's visitor economy. The realized benefits of a comprehensive DDP include: increased revenues coming into communities from visitors; support for the growth of small-to-medium size businesses; the alignment of public, private and community sectors; more opportunities for employment; and enhanced pride of place and quality of life for Albertans.

In this first phase, we took a data-driven and community-led approach to better understand the state of the local visitor economy in each TDZ and begin to identify the inter-related elements of a comprehensive DDP. We assessed resident sentiment and the commitment of stakeholders and municipal governments to determine whether or not local leadership was present and committed to diversifying their zone's economy through tourism. In many TDZs, it was evident that multiple initiatives (and even past studies) have assessed the tourism potential across counties and communities. We speculate

that these previous assessments have not resulted in optimized local tourism sectors because — as reflected in the DDP framework — comprehensive optimization requires attention, consideration and investment of resources across more elements than most organizations have the capacity or resources to coordinate.

As this report demonstrates, we have identified both opportunities and barriers across many of these elements. Going forward, there is much work to be shared amongst stakeholders in each TDZ, using the DDP as a framework. Travel Alberta is committed to collaborating with local and provincial partners to help drive the development and execution of a DDP in those communities that are equally committed to building up Alberta's visitor economy.

Now that this Discovery Report has been released, it is key that Travel Alberta, the Government of Alberta and the many stakeholders within the Lethbridge to Medicine Hat TDZ work together to address the following relevant inter-related elements:



(Adapted from Failte Ireland)

METHODOLOGY

Travel Alberta partnered with consulting firm Twenty31 to collect the data and reach the conclusions summarized in this report.

A two-part methodology allowed Travel Alberta and the consulting team to become acquainted with regional stakeholders and communities, determine their vision for the future growth of the local visitor economy and identify action steps toward the design of DDPs for communities in this area.

In the **“discovery and destination profiling”** phase, Travel Alberta worked with the consulting team to access research material, build a steering committee (including local operators and government representatives), and establish a framework for engagement.

In the **“exploration, imagining and visioning”** phase, the consulting team completed visits to tourism sites within the zone, facilitated two visioning sessions with the steering committee and other stakeholders to determine aspirations for the zone, facilitated two regional stakeholder input sessions, interviewed over 60 stakeholders, conducted a Lethbridge to Medicine Hat tourism industry survey, facilitated steering committee validation workshops, and created a steering committee prioritization lab.



High Level Bridge, Oldman River, Lethbridge

04 STAKEHOLDER ENGAGEMENT



Charmed Playhouses, Lethbridge

94
Stakeholders

201
Businesses

5
Communities

WHAT WE HEARD

In order to gain a comprehensive understanding of the Lethbridge to Medicine Hat TDZ, Travel Alberta and the consulting team made a concerted effort to engage with the area's communities. As a result of this engagement, the team learned that:

- There is a need to unify the communities in the Lethbridge to Medicine Hat TDZ through common goals regarding product development and marketing.
- There is not currently enough funding or business support services from all orders of government to allow for the local tourism economy to grow.
- Stakeholders view tourism and hospitality as significant drivers of economic growth and quality of life.
- Education needs to take place within communities to demonstrate how tourism is a valuable part of the diversified local economies, including agriculture and renewable energy.
- Stakeholders are interested in collaborating on marketing/development initiatives across the Highway 3 corridor stretching from Medicine Hat to Crowsnest Pass.
- Local leaders and tourism operators need to expand what they view as possible for the industry.
- Events, more attractions, conferences, festivals and accommodation infrastructure are all potential ways to increase local tourism volume in the TDZ.
- Stakeholders want to address seasonality issues and create a year-round tourism destination.
- Stakeholders are concerned that the distance from Calgary to the TDZ poses a barrier to ease of access.
- Further collaboration among tourism businesses and with tourism partners will help create a more cohesive visitor experience.

Comprehensive Indigenous community engagement is currently underway and will provide further insights and observations.

05 INDIGENOUS ENGAGEMENT



Warrior Women, Jasper National Park

Across generations, Indigenous Peoples have warmly embraced their neighbors on ancestral lands, fostering deep, mutually enriching bonds through the customs and protocols of treaty-making and visitation. This enduring approach is steeped in the ancient traditions of hospitality and attentive listening.

In active relationship with Indigenous Tourism Alberta, Travel Alberta has enlisted our teams to engage and share space with First Nations, Councils, Settlements, Coops, Confederacies, and community leaders and community members to nurture mutual understanding, trust, and respect. Our engagement protocols and approaches are deeply anchored in the wisdom of our ancestors and knowledge shared by and from the communities we work with and for. Throughout our outreach efforts, we have and will continue to invite in and convene Indigenous leaders and community members with *kisêwâtisiwin* — kindness.

We look forward to weaving the insight we gain into this Discovery Report upon completion.

We hold the belief that Travel Alberta is dedicated to continuous engagement, active listening, and taking effective measures to nurture and grow these relationships, fully comprehend shared aspirations, and further strengthen trust. Together with Travel Alberta and Indigenous Tourism Alberta, we acknowledge and extend our gratitude to the Elders, Knowledge Carriers, Youth, and leadership of these communities and to all our participants and relatives in this transformative work.

***kahkiyaw niwâhkômâkanitik* — All my relations.**

Ali Tapaquon
principle and founder
Tatâga Inc.

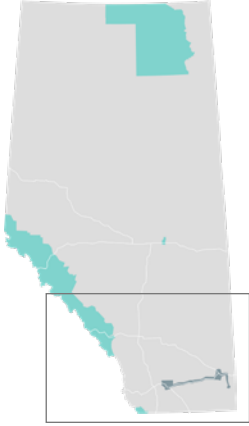
Suzanne Denbak
principle and founder
Cadence Strategies

05 DISCOVERING THE DESTINATION



Writing-on-Stone Provincial Park

LETHBRIDGE TO MEDICINE HAT



From picture-perfect riverfront cities to UNESCO World Heritage Sites, to ancient fossil beds to communities that feed the world, the Lethbridge to Medicine Hat TDZ features natural, cultural and created assets to share with visitors of all types.

Sports and recreation

Both Lethbridge and Medicine Hat have the facilities and accommodation — combined with a strong, experienced volunteer core—to host large sporting events. Additional infrastructure could continue to expand this sector.

Agricultural and culinary experiences

Visitors already flock to the farms, ranches and restaurants of southern Alberta for a taste of the zone's rich agricultural and culinary culture. Businesses and tourism development organizations have an opportunity to showcase the area's "taste of place" narrative within its current attractions, as well as within its evolving dining scene.

Going forward, Lethbridge can also look to capitalize on the recently built Agri-food Hub and Trade Centre, focusing on attracting business events in the national agriculture sector.

Arts, culture and history

Well-known, if under-visited, cultural destinations include the Galt Museum, Fort Whoop Up, the Southern Alberta Art Gallery and Nikka Yuko Japanese Gardens in Lethbridge, and the Medalta Historic Clay District, Esplanade Arts & Heritage Centre and Saamis Tepee in Medicine Hat.

Soft adventure

With warmer shoulder seasons than other parts of the province, southern Alberta could easily become a destination for both road cyclists and mountain bikers. Recently built trails, especially in Medicine Hat and Cypress Hills, have already gained recognition in the biking community.

With its two anchor cities and diverse tourism infrastructure, the zone can continue to capitalize on regional sports groups while building a reputation as an agricultural and culinary destination. By further developing offerings for visitors interested in heritage sites, southern Albertan art, and soft adventure experiences, the zone can increase its attractiveness to these visitors.



DEMOGRAPHICS AND POPULATION

Over the last few years, population growth in this area has been concentrated in Medicine Hat and Lethbridge, which both benefit from diversified economies and are projected to experience population growth through to 2046, by 24 per cent and 22 per cent, respectively. (Alberta Treasury Board and Finance, 2021)

194,640
POPULATION
(100,000 IN LETHBRIDGE)

10,430
INDIGENOUS POPULATION

9%
POPULATION GROWTH
OVER PAST 10 YEARS

9.98%
UNEMPLOYMENT RATE

\$100,550
MEDIAN FAMILY INCOME

(Source: Alberta Regional Dashboard, 2023)

ECONOMIC PROFILE

6,642
BUSINESSES

95.5%
SMALL BUSINESSES

\$1.6B
MAJOR PROJECTS

(Source: Alberta Regional Dashboard, 2023)

Communities within this zone depend upon multiple sectors, with agriculture and agri-food processing being prevalent. Other sectors within the zone include: aerospace and defence; industrial and professional services; supply chain and logistics; and technology and manufacturing. Manufacturing, logistics, and agriculture businesses have experienced 20 per cent increases in jobs over the last decade.

(Source: Choose Lethbridge, 2023; Invest Medicine Hat, 2023)

ACCESS

The Lethbridge to Medicine Hat TDZ lies along approximately 167 km of the east-west Crowsnest Highway (Highway 3) in southern Alberta, with smaller towns such as Coaldale and Taber on the route between Lethbridge and Medicine Hat, and Elkwater a few kilometres off-route.

Highway 3 offers driving access to the US border (146 km from Medicine Hat), and is intersected on the eastern border by the Trans-Canada Highway. Visitors can access the area via Highway 1 from Calgary and Saskatchewan, as well as via highways 3, 41 and 61. Both Medicine Hat and Lethbridge have regional airports, that provide scheduled air services between Medicine Hat and Lethbridge and major cities in Alberta; however, flights are regularly cancelled due to a lack of demand.

Great Falls International Airport is a public/military airport three miles southwest of central Great Falls in Montana, U.S., and is used as a departure point for southern Albertans.

POLICY AND PLANNING CONSIDERATIONS

A number of policies and planning documents were analyzed to better understand the regulatory environment of the Lethbridge to Medicine Hat TDZ as it relates to tourism development. Key findings include:

- Writing-on-Stone Provincial Park, is a UNESCO World Heritage Site, and managed by Alberta Parks.
- Lethbridge’s municipal development plan aligns with Lethbridge’s Destination Management Plan. Both plans aim to attract and host more business events — including meetings, conventions and exhibitions focused on the city’s and region’s main industries and fields of academic research.
- The City of Lethbridge has formed the Heart of the City Committee to represent downtown Lethbridge and provide strategic leadership for its revitalization efforts.
- While there is limited Crown land in the area, there are several significant provincial parks including Cypress Hills Interprovincial Park, which is managed through the Cypress Hills Management Plan (June 2011).
- Both Medicine Hat and Lethbridge have municipal development plans in place that could be aligned with and support the goals of the South Saskatchewan Regional Plan.
- Medicine Hat’s municipal development plan, adopted in 2020, identifies tourism development opportunities including trade shows, conferences, sporting and entertainment events, outdoor recreation, and cultural and heritage centres. The plan also identifies entertainment, arts, and cultural venues; hotels and events spaces; and food and beverage establishments that are desirable future land uses for the downtown area.
- The City of Medicine Hat is finalizing a Parks and Recreation Master Plan to help guide policy, infrastructure and programming in numerous areas including open space, recreation, social development, culture and environmental stewardship.

DESTINATION ECOSYSTEM

Destination Marketing/Management Organizations (DMOs)

Lethbridge

Tourism Lethbridge is the non-profit DMO in Lethbridge, which operates under a fee-for-service agreement with the City of Lethbridge. The organization’s four strategic goals are tourism economy growth, brand development, tourism stakeholder engagement and organizational sustainability. The majority of their work is focused on marketing Lethbridge as a destination for visitors. Tourism Lethbridge has formed an official partnership with the Lethbridge Sporting Council to plan larger, more comprehensive sporting events that will improve visitor experience.

Note: The Lethbridge Lodging Association (LLA) is a member-based destination marketing fund organization that collects a self-governed accommodation tax within the city but does not remit any funds to Tourism Lethbridge in joint promotional initiatives. This situation has created overlap in activities and events, which sometimes leads to misalignment in communications to current and potential visitors, as well as stakeholders in the community.

Medicine Hat

Tourism Medicine Hat is the DMO in Medicine Hat, which operates under a fee-for-service agreement with the City of Medicine Hat. Tourism Medicine Hat focuses its development and promotional efforts along six areas of strategic importance that include: The Historic Clay District (a National Historic Site), The Historic Downtown, Echo Dale Regional Park (a City asset), Cypress Hills Park, Elkwater townsite and the Hidden Valley Ski Resort (an Alberta Parks asset). The Medicine Hat Sport and Event Council is currently a standing committee of Tourism Medicine Hat, responsible for collaborating with sport and event organizations in encouraging development and hosting events. Medicine Hat also has a destination marketing fund organization called the Medicine Hat Accommodation Association (MHAA), a member-based organization of six hotels that collects a self-governed accommodation tax within the city. The MHAA partners with Tourism Medicine on joint marketing initiatives aimed at driving both leisure and business travel into Medicine Hat.

Economic Development Organizations

While Medicine Hat and Lethbridge both have economic development organizations that complement and align with Tourism Medicine Hat and Tourism Lethbridge, there are some structural challenges that are currently being addressed concerning how these organizations work together.

Medicine Hat

The City of Medicine Hat considers tourism a leading industry for economic development. In 2019, the City started restructuring to create the Economic Development and Land Department, which operates under the “Invest Medicine Hat” brand. This department is responsible for workforce development, business retention and expansion, and investment attraction. While it may be more efficient for Tourism Medicine Hat to report to the Economic Development and Land Department due to their aligned goals, it currently reports to the public service department, an interim department that manages the previous fee-for-service agreement Tourism Medicine Hat has with the city. In order to develop Medicine Hat as an anchor within this TDZ, the Economic Development and Land Department and Tourism Medicine Hat will need to work together more closely.

Lethbridge

In Lethbridge, Tourism Lethbridge reports to Opportunity Lethbridge, a municipal department that manages the fee-for-service agreements with Tourism Lethbridge, Economic Development Lethbridge and the Agri-Food Hub and Trade Centre. Economic Development Lethbridge, also known as Choose Lethbridge, is an arm’s-length organization funded by the City of Lethbridge. Currently, Economic Development Lethbridge does not participate in tourism because Tourism Lethbridge has jurisdiction over all tourism-related activity, including both promotion and development. All city attractions must report to Community Services and Recreation/Culture, a requirement that creates another layer of bureaucracy within Lethbridge’s tourism ecosystem. In order to develop Lethbridge as a premier tourism destination, Tourism Lethbridge, Opportunity Lethbridge and Economics Development Lethbridge need to collaborate and align themselves with each other. There are positive changes on the horizon. For instance, Tourism Lethbridge is working on a Memorandum of Agreement with both Economic Development Lethbridge and the Agri-Food Hub and Trade Centre to determine destination management priorities, specifically cooperation with a leading industry in Lethbridge: agriculture and agri-food.

VISITATION

According to Travel Alberta’s anonymized mobile data, in 2019, 98.4 per cent of visitors to the Lethbridge to Medicine Hat TDZ were Canadians, while only 1.4 per cent of visitors hailed from the US. At the provincial level, Albertans made up approximately 93 per cent of visitors, followed by residents of Saskatchewan at just under 2.4 per cent, and British Columbians at 1.5 per cent.

AB

VISITOR ORIGIN

Visitation to Lethbridge and Medicine Hat, like the whole of Alberta, is highly domestic, with the majority of travellers coming from within Lethbridge and Medicine Hat (40.9 per cent and 26.7 per cent), Calgary (3.4 per cent), Lethbridge County (3.3 per cent) and Cypress County (3.3 per cent).

55%

REPEAT VISITORS

55 per cent of visitors to this TDZ visit two or more times per year.

68 hours

AVERAGE LENGTH OF STAY

On average, visitors spent just over 67 hours, or two and a half days and one night in this zone. International visitors to the zone spend an average of just over 44 hours. Regardless of visitor origin, a longer stay (including overnight), will result in visitors spending more.

Note: Percentages represent the devices detected in the destination for the identified period. They do not represent total visitation and may be impacted by differing traveller technology or a lack of cell coverage.

(Source: Near Mobile Data, 2019)

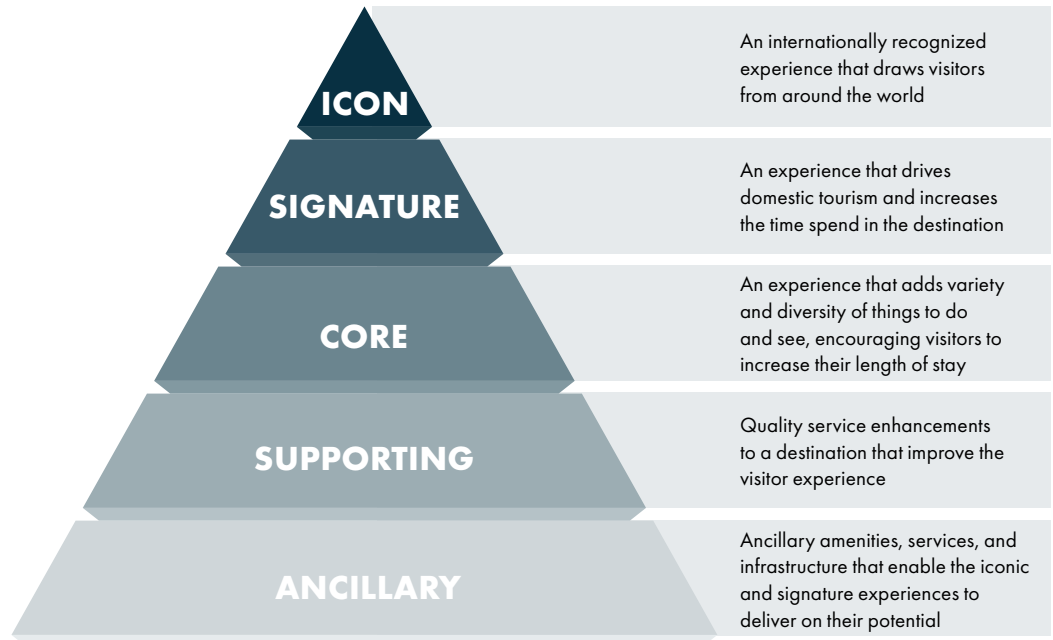
05 DESTINATION ANALYSIS



Sunshine Trolley, Medicine Hat

SUPPLY AND DEMAND ANALYSIS

In order to fulfill the tourism potential of this area, it is imperative to understand its tourism products and experience and accommodation mix, and the role both play within the development zone. Moving forward, this understanding will guide targeted investment toward the right products and places.



(Adapted from Failte Ireland)

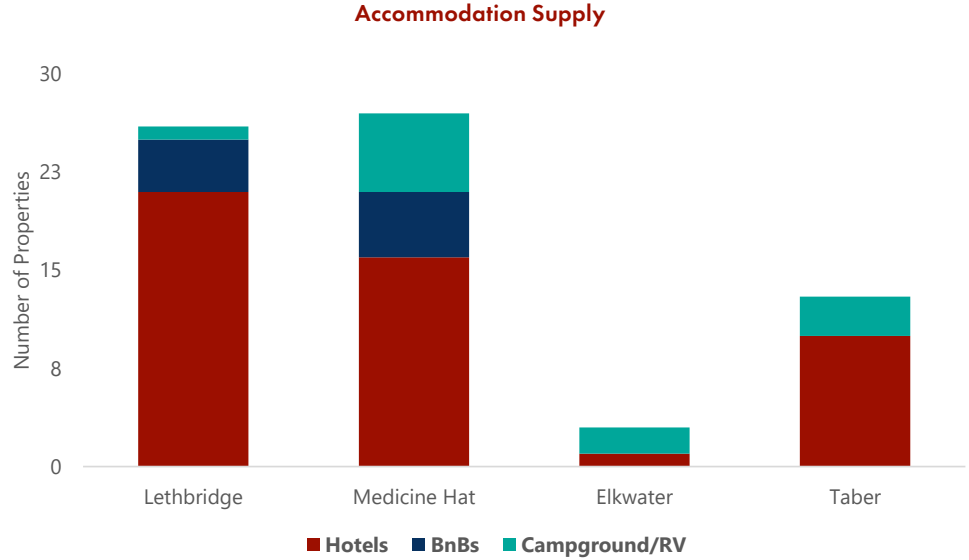
Primarily, the communities in this zone offer supporting and core products. There are limited amenities — such as boutique hotels — that cater to visitors seeking signature or iconic products. While the potential to develop the area's signature products certainly exists, amenities, services and infrastructure will need to be expanded if signature products are to attract visitors and motivate extended stays.



Travois Ale Works, Medicine Hat

Supply: Accommodation Mix

Most accommodations in this TDZ are service-oriented branded hotels, with approximately 2,000 rooms in Medicine Hat and 1,800 rooms in Lethbridge. A limited number of campgrounds within these municipalities host seasonal visitors for six months of the year. Further hotel development, including a boutique hotel in Medicine Hat and a hotel at the Lethbridge and District Exhibition, is needed to accommodate leisure and business travellers, respectively. Though there has been interest in these development opportunities, no proponents have yet committed to proceeding.



(Source: Twenty31, 2023)

Supply: Products and Experiences

The inventory Twenty31 conducted within this zone identified just over 450 tourism-related products and experiences, each one unique to its community and supported by basic amenities and services. These existing assets include a diverse array of attractions, such as riverfront cities; a budding brewery, distillery, and farm-to-table scene; spectacular regional and provincial parks; and a growing cultural events program.

Local businesses and operators include:

Lethbridge and area

- Helen Schuler Nature Centre
- Lethbridge and District Exhibition Agri-food Hub and Trade Centre
- Enmax Centre Entertainment and Sporting Venue
- Alberta Birds of Prey in Coaldale

Medicine Hat and area

- Co-op Place Entertainment and Sporting Venue
- Medicine Hat Stampede and Exhibition
- Sunshine Trolley
- Medalta Historic Clay District

Provincial and national parks and historic sites:

- Cypress Hills Interprovincial Park
- Red Rock Coulee Provincial Natural Area
- Park Lake Provincial Park
- Writing-on-Stone Provincial Park

According to Travel Alberta’s anonymized mobile data (2019), the most-visited destinations in the Lethbridge to Medicine Hat TDZ include:

- Nikka Yuko Japanese Gardens
- Echo Dale Regional Park
- Cypress Hills Interprovincial Park



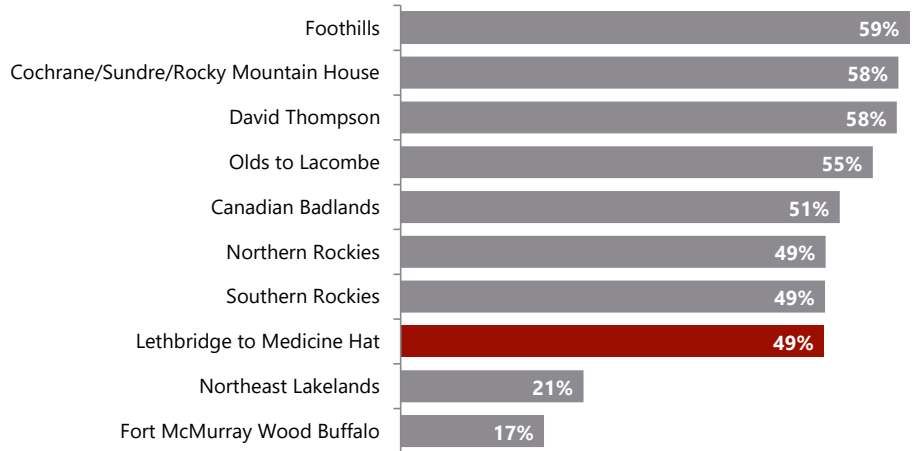
Demand: Amongst Albertans

As part of perception research conducted by Travel Alberta in November 2022, over 1,000 Albertans were surveyed in order for to better understand traveler perception of each of the 10 TDZs. This research indicated that:

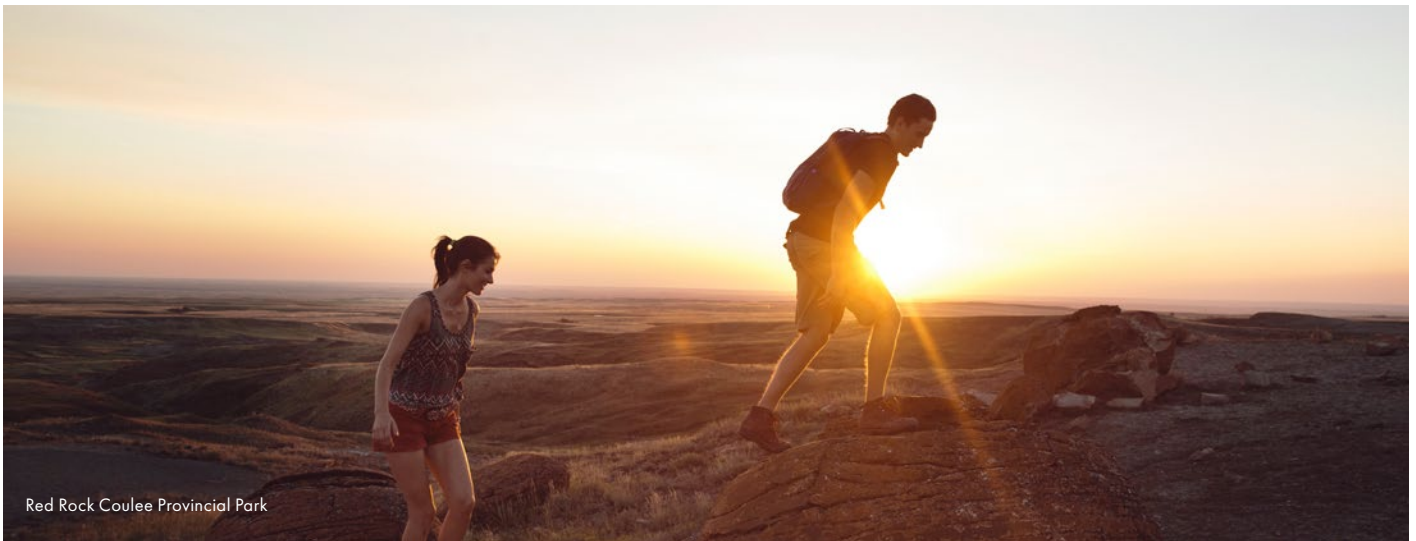
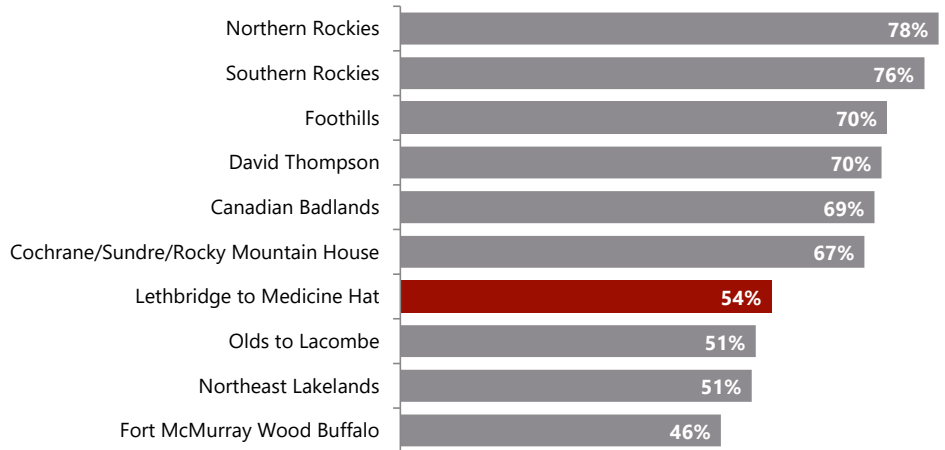
- Over half of respondents have a positive impression of the Lethbridge to Medicine Hat TDZ
- Respondents have very limited familiarity with the TDZ
- Just over a third say they are likely to visit the TDZ

Only just over a third of surveyed Albertans say they are likely to visit the Lethbridge to Medicine Hat TDZ.

Familiarity with Destination (Per cent familiar with each TDZ)



Overall Impression of Destination (Per cent with positive overall impression of each TDZ)



Red Rock Coulee Provincial Park

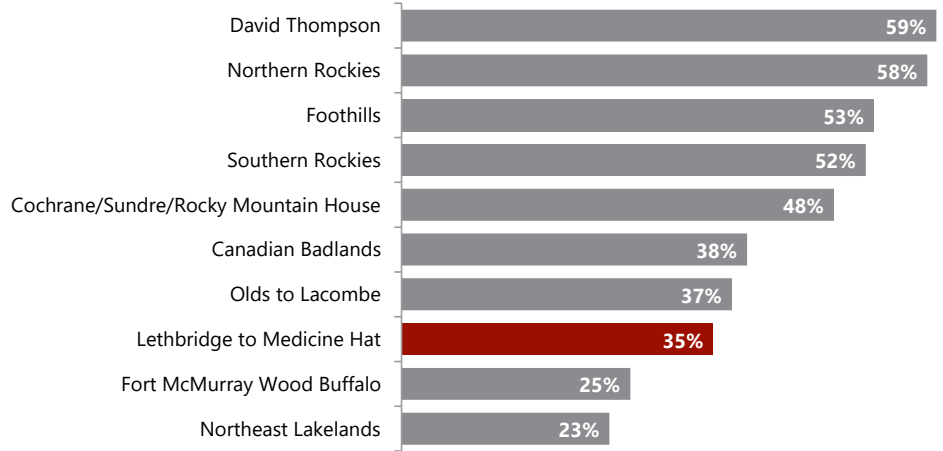
Likelihood to Visit Destination (Per cent likely to travel to each TDZ)

60%

MOST LIKELY TO VISIT BETWEEN JUNE AND AUGUST

50%

LIKELY TO STAY MORE THAN TWO NIGHTS ON A POTENTIAL VISIT



Activities Albertans are most likely to enjoy in the Lethbridge to Medicine Hat TDZ

Potential visitors are most likely to plan to visit museum and heritage sites, which are well-established tourism products in this zone.



(Source: Assessing Perceptions of Alberta's Tourism Development Zones, Twenty31, 2023)

Demand: International Travellers

The Lethbridge to Medicine Hat TDZ has the resources to develop and enhance top “trip anchors” (activities a visitor would centre their trips around) and supporting activities identified by recent market demand studies.

Historical/archaeological/world heritage sites and local culinary experiences are both trip anchors for US and international visitors represented in both Lethbridge and Medicine Hat areas.

Major historical, archeological and world heritage sites in this zone include:

Lethbridge and area

- Fort Whoop-Up
- Galt Museum
- Southern Alberta Art Gallery
- Nikka Yuko Japanese Gardens
- Writing-on-Stone Provincial Park and UNESCO World Heritage Site

Medicine Hat and area

- Esplanade Arts & Heritage Centre
- Medalta Potteries National Historic Site.

While not in this TDZ, Head-Smashed-In Buffalo Jump and the Fort Museum of the Northwest Mounted Police (NWMP) are key elements of Tourism Lethbridge’s promotional initiatives.

This zone’s historical, archaeological and world heritage sites (some of which are export-ready) could be further developed to create an immersive, region-wide experience that capitalizes on the unique culture of the corridor and meets the expectations of international visitors.

Local food and drink businesses rank highly as both a trip anchor and a supporting interest of US and international (particularly UK) visitors. Between Lethbridge and Medicine Hat, there are opportunities to capitalize on the regional agriculture of southern Alberta, developing and promoting agri-tourism, food tourism and culinary tourism, especially to Canadian, US and UK visitors.

Demand: Alberta’s Target Travellers

Travel Alberta has identified “Curious Adventurers” and “Hotspot Hunters” as the high-value travellers likely to spend more per visit, yield the highest return on investment, and contribute the most to the province’s economic growth. Tourism businesses, communities and associations can attract these valuable visitors by tailoring products and experiences to their unique travel styles.



Medalta in the Historic Clay District, Medicine Hat

For Curious Adventurers, travel is about getting a different perspective on the world. In the Lethbridge to Medicine Hat TDZ, these travellers can develop a deep understanding the zone through encounters with its lush river valleys, prairie landscapes, authentic cultural experiences and historical sites. Opportunities to experience organic moments of connection include:

- Taking a vintage Sunshine Trolley Tour through Medicine Hat
- Exploring the history of Medalta Potteries and Medalta’s Historic Clay District
- Indulging in a self-guided agri-food tour of Lethbridge County and meeting the farmers and producers of southern Alberta’s food scene
- Listening in on the stories surrounding the illegal whisky trade at Fort Whoop Up



Telegraph Tap House, Lethbridge

For Hotspot Hunters, travel is about achievement and accomplishments. They want to visit the top attractions, participate in unique experiences, and connect with local experts. Examples of a Hotspot Hunter’s preferred experiences in the Lethbridge to Medicine Hat TDZ include:

- Sampling craft beer with brewers at the numerous award-winning breweries along the Southern Alberta Ale Trail
- Enjoying a walking tour of a historic kiln at Medalta Potteries, the first manufacturing company in western Canada to ship products internationally
- Touring the spectacular Japanese-style gardens at Nikka Yuko

Trends impacting tourism

As destination organizations and businesses look to adapt and thrive, it will be important they stay attuned to emerging trends that are driving the tourism industry forward. These trends, identified by Twenty31 in their 2022 Tourism Trends report, will impact supply and demand and shape the future of tourism over the short- and long-term.

TREND:

Experiences are the new luxury goods

DESCRIPTION:

Because most people were unable to travel in 2020 and 2021, tourism has become a scarce, luxury good. The value of travel and tourism will increase even more as the 2020s continue, boosting consumer spending on unique experiences away from home.

KEY TAKEAWAY FOR TDZ

This zone's historical, cultural and natural resources supply the fundamental assets necessary to provide immersive experiences unlike any of those available in peer destinations. Further product and experience development will better position the zone to take advantage of the opportunities inherent in its landscape, people and culture.

Regenerative travel going local

Regenerative travel will help make tourism a pillar for sustainable economic development for destinations. 83 per cent of global travellers will make sustainable travel a priority in the future, while 66 per cent want their travel spending to directly benefit local communities.

Destinations within the Lethbridge to Medicine Hat TDZ that feature nature-based products and activities (such as farm to fork experiences) will attract market share from more urban destinations that fail to pivot toward regenerative tourism. Community leadership in tourism initiatives will differentiate this zone within the global market.

Remote work creates a new definition of tourism

Remote work is here to stay. The COVID-19 pandemic proved that productivity and employee satisfaction increase while business costs decrease when employees have the opportunity to temporarily relocate and work in more inspiring surroundings.

New products, such as workcation packages, work-equipped accommodations, co-working spaces and communities packages could give visitors opportunities to explore this zone for longer periods of time. Businesses will be well-served by offering amenities that enable visitors to work while on shorter trips.

Single destination, longer stay

The complexity of arranging a trip will result in travellers booking fewer trips but increasing the length of their stay in a single country. "Travel less, travel better" will determine booking behaviour over the next few years.

This trend aligns directly with the strategic plans of several towns within this TDZ that are aiming to capitalize on existing visitors — either by making their stays longer or by initiating their return to the area. Considering the zone's cultural and historic sites, combined with its many multi-day events, longer stays within this TDZ are a promising opportunity.

(Source: Twenty31, 2022)

RESIDENT SENTIMENT

The success of developing tourism across Alberta's TDZs hinges on tourism's impact on the quality of life for local residents. Quite simply, if it's not good for residents, it's not good for visitors. Travel Alberta has been tracking resident sentiment across the province for the past year, and as part of this initiative, we assessed resident sentiment at a TDZ level, as highlighted below.

Generally, residents of the Lethbridge to Medicine Hat TDZ see the importance of tourism to their communities and look forward to showcasing their community. A significant percentage of residents would welcome more visitors to their community.

Residents of the Lethbridge to Medicine Hat TDZ, like residents of other rural destinations across the province, have an interest in seeing more visitors in their communities. While this is a good indication that they are open to the growth of the tourism sector, we recognize that growth must take place in a manageable way. It will continue to be important to foster deeper connections with residents before initiating new development.

Residents feel there could be more to do and see in their communities, both for themselves and visitors.

Highlights: Resident Sentiment

QUESTIONS	TOTAL ALBERTA RESIDENTS	LETHBRIDGE TO MEDICINE HAT
How important is tourism to your community	70%	72%
I would welcome more visitors to my community	62%	88%
A strong tourism industry improved my quality of life	61%	73%
The attractions, events and things to do here are an important part of making my community a vibrant place	83%	83%
This is a vibrant community and area — there is always lots to see and do	70%	53%
My community and area offers experiences I want to tell others about	65%	59%

(Source: Stone Olafson, 2023)

CHALLENGES AND OPPORTUNITIES ANALYSIS

Using findings from primary and secondary research and extensive stakeholder engagement, the consulting team conducted a challenges and opportunities analysis to evaluate this TDZ. The analysis takes into consideration both the current and potential future drivers that will influence tourism within the zone.

Challenges

- The value of tourism needs to be better shared with communities and their leaders, some of whom believe that tourism is not an industry that supports the local economy.
- The thinking among many is based on historical activity versus the potential for the destination if demand-generating products and experiences are enhanced or developed.
- Lethbridge Lodging Association and Tourism Lethbridge are not currently aligned with each other.
- The zone currently has limited accommodation options. Lethbridge needs more boutique hotels and hotels for business travellers. Medicine Hat needs more boutique hotels for leisure visitors to the city's historic downtown.
- Seasonality of visitation and lack of diverse market segments create an imbalance in occupancy levels within the current accommodations.
- Beyond recent investments in the Agri-Food Hub, the zone does not receive significant funding from all orders of government or the private sector for product and experience development.
- Tourism organizations across the TDZ do not frequently collaborate on initiatives, which can lead to fewer opportunities for practical investment in product development and marketing.
- There are many tourism products, experiences and trails that are not optimized for the peak season or year-round use.

Opportunities

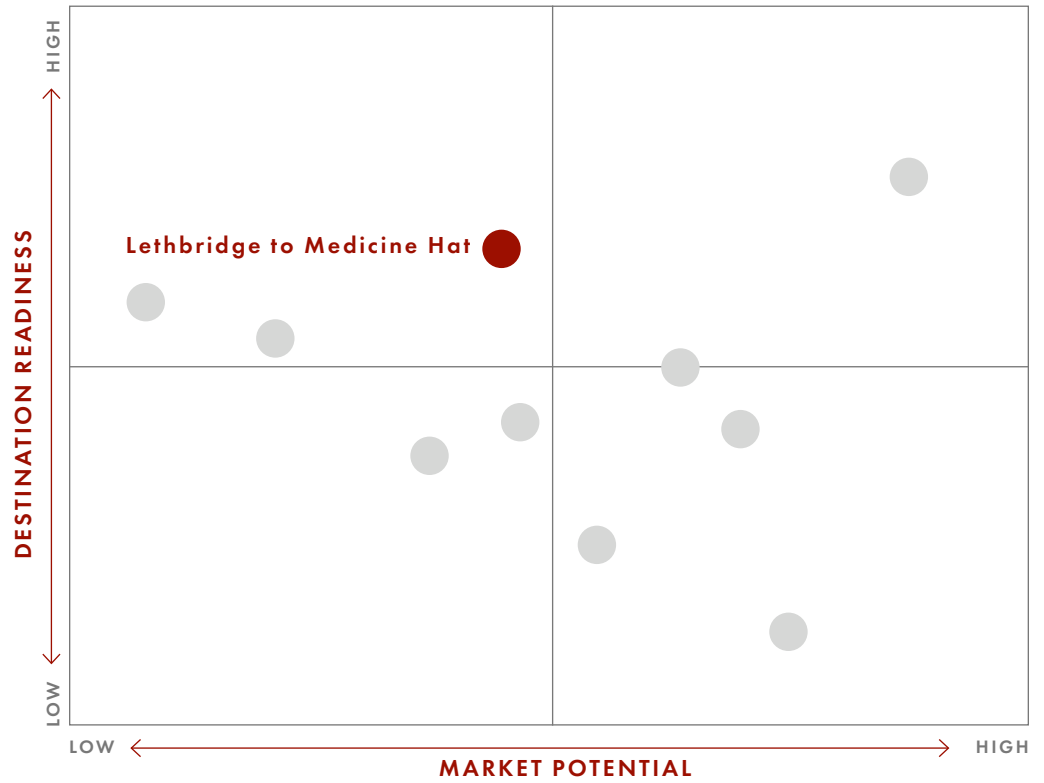
- There is potential to leverage existing funding programs from the provincial and federal governments and showcase opportunities for private sector investors to drive product and experience development and innovation.
- The newly opened Agri-Food Hub in Lethbridge presents a significant opportunity to attract business events aligned with the local economic sectors.
- The residents of Lethbridge and Medicine Hat are dedicated to seeing further growth and revitalization of their downtown core, which will come with an increase in both visitor and community amenities.
- This zone has some of the province's most impressive — and most under-utilized — provincial parks and natural attractions. With the right products, services and amenities, these parks and attractions could receive the appreciation they deserve and become major draws for visitors.
- Travel Alberta can facilitate better collaboration between destination organizations and economic development organizations, thus supporting growth of the visitor economy through cooperative, intra-regional product development.
- There is potential to collaborate on destination marketing/development initiatives with the Southern Rockies TDZ.



Helen Schuler Nature Centre, Lethbridge

DESTINATION MATURITY AND READINESS

The Lethbridge to Medicine Hat TDZ has significant potential (as shown in red on the matrix) to become an enabling environment for tourism with an improved mix of tourism products and experiences offered in communities throughout the zone. Based upon all that was observed in this discovery phase, Travel Alberta assessed each TDZ on two primary criteria, i) market potential and ii) destination readiness to help inform the stages of future resource allocation for TDZs. To broaden our internal assessment, Travel Alberta will garner further input from stakeholders involved in the project to weigh in on our initial assessment as indicated in table.



The grey dots represent the position of the Lethbridge to Medicine Hat TDZ relative to the nine other TDZs across the province.



Nikka Yuku Japanese Gardens, Lethbridge

05 VISION FOR THE FUTURE



Strathcona Island Park, Medicine Hat

“Our goal is to create significant sustainable economic value for the communities in the Lethbridge to Medicine Hat Tourism Development Zone by attracting and serving guests from near and far.”

— Lethbridge to Medicine Hat TDZ Steering Committee

DESTINATION 2035

The Lethbridge to Medicine Hat zone is home to some of Alberta’s most wide-open spaces — physically and metaphorically. It’s a place that invites visitors to discover ancient artifacts, explore heritage sites, camp on scenic riverbanks, appreciate Indigenous cultures, and engage with residents in sunny cities and historic rural communities. The region’s well-established farms and ranches ensure there’s no shortage of fresh local ingredients to inspire the vibrant culinary scene and craft breweries.

The visitor experience to communities within the Lethbridge to Medicine Hat TDZ can be defined by five distinct experience categories: agri-food/culinary, historical discovery, sport, arts and culture, and soft adventure.

While primarily focusing on agri-food/culinary experiences and sport in the short term, with longer term initiatives centred around historical discovery, arts and culture, and soft adventure, this zone will be able to successfully reposition itself as a must-see, must-experience destination.

By 2035, establishing the connectivity between the Lethbridge to Medicine Hat zone will create a complimentary identity that will support driving year-round visitation, leverage tourism experiences and assets that reflect local strengths, increase the overall awareness of the region as a tourism destination, and attract a wider segment of visitors.

Within both cities, plans are already being made for new projects that capitalize on these themes and contribute to more vibrant destinations. The development of urban products and experiences that connect to nearby rural opportunities will further enhance these cities’ profiles as desirable destinations.

STRATEGIC INITIATIVES

In support of tourism development within the Lethbridge to Medicine Hat TDZ, multiple strategic initiatives were identified by local stakeholders and communities. This included:

01. Achieve better alignment between destination organizations and economic development and tourism stakeholders within communities and surrounding area.
02. Increase overall accommodations to better align with target market segments, including business travellers in Lethbridge and leisure regional travellers in Medicine Hat.
03. Address challenges related to seasonality. Create a host of immersive products, events, experiences, packages and itinerary options targeting various market segments year-round that draw visitors from the two main cities towards the surrounding areas.
04. Increase understanding of tourism as a valuable economic sector among local decision-makers.

OUTCOMES

Successful implementation of these strategic initiatives will enable the development of products, accommodations, and robust multi-day itineraries that increase the length of time visitors stay and how much they spend in communities throughout the Lethbridge to Medicine Hat TDZ. Specifically, the desired outcomes of these initiatives include:

Improved seasonality of visitation

Businesses will operate predictably, visitors will have positive experiences, and community members will appreciate the value visitors bring to their communities.

Public and private sector investment

The identification of specific gaps in products, experiences and infrastructure will have created awareness of community needs and market demand, spurring private and public sector investment.

Capacity and capability

Tourism companies, entrepreneurs and destination organizations across the province will be well-equipped to expand, establish and support their businesses, creating jobs and more vibrant communities.

Awareness and understanding of benefits

Tourism growth will result in a more diversified economy, reduce dependency on other sectors, improve quality of life for residents, and legitimize the benefits of tourism in this TDZ.

Reconciliation and cultural awareness

If the results of the ongoing Indigenous engagement in the zone show that local Indigenous communities are in favour of tourism development, Travel Alberta will collaborate with Indigenous Tourism Alberta and Indigenous tourism operators to foster growth in the sector. Community-led tourism will offer opportunities for economic development, the sharing of cultures and the development of infrastructure that will benefit residents.

Cooperation among communities

Communities will bring their unique perspectives and assets to the table to develop strong tourism products and experiences that attract visitors to communities within the zone and encourage them to stay longer.



06 CONCLUSION AND NEXT STEPS

As highlighted in this report, a significant percentage of Albertans are already aware of the Lethbridge to Medicine Hat TDZ, and think of it favourably, though a smaller percentage are likely to travel there. Communities within this zone are open to the development of their tourism assets, provided this development is done in a community-centric and sustainable way. Local stakeholders, DMOs, and all levels of government must prioritize cooperation with each other, both within and between municipalities; develop and promote under-utilized natural, cultural, historical and infrastructural assets, especially including existing sports, agricultural, and agri-food assets; and invest in sustainable and regenerative tourism products and accommodations that will better serve business and leisure visitors.

Successful implementation of the strategic initiatives found in this report will realize the existing potential of communities in this zone and create new opportunities for regional growth and prosperity. As we move into the next phase of this project, we will build on these findings to ensure the foundations for sustainable, popular and profitable destinations are in place.



Nikka Yuko Japanese Gardens, Lethbridge



**CONTACT YOUR DESTINATION
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