

TOURISM DEVELOPMENT ZONE

Olds to Lacombe



DISCOVERY
REPORT
2023

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PREFACE

The Olds to Lacombe Tourism Development Zone (TDZ) holds considerable potential as a natural draw for visitors given its prime location between Alberta’s two largest cities, Calgary and Edmonton. Boasting adventure, events, and cultural and culinary experiences, the zone is distinguished by its residents’ bold spirit and pride in the resilience of their farming culture. This TDZ, if further developed, could become one of Alberta’s key agritourism hubs - a place where visitors journey to connect with the people, cuisine, and landscapes that have been feeding the world for generations.

This Destination Discovery Report for the Olds to Lacombe TDZ:

- Highlights those tourism assets most likely to attract high-value visitors from across Canada and around the world
- 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 Olds to Lacombe TDZ in order to capitalize on existing assets and catalyze future growth and prosperity
- Demonstrates that it will be key to the development of this zone to:
 01. Identify and increase local, provincial, and investor-level awareness of those assets, features, products and experiences that will draw tourists
 02. Address gaps in tourism offerings and the infrastructure and amenities required to support them

This Discovery Report informs and identifies specific actions Travel Alberta, the Government of Alberta and communities within the Olds to Lacombe TDZ 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.



Snake Lake Brewery, Sylvan Lake

03 INTRODUCTION



Troubled Monk, Red Deer

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 Olds to Lacombe 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 6 and 7 signatories, including the Blackfoot Confederacy, Nakota Sioux, Tsuut'ina, Stoney Nakoda, Cree, Dene, and Saulteaux homelands. We also acknowledge members of the Red Deer Métis District within the homeland of Métis and the Otipemisiwak Métis Government, as well as Indigenous Peoples living in urban areas from Olds to Lacombe. We appreciate 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.

- **Sandra Badry**, economic development officer, Red Deer County
- **Monica Bartman**, economic development officer, Lacombe County
- **Natasha Bhola**, tourism marketing & development coordinator, Town of Sylvan Lake
- **Doug Bos**, owner, Discovery Wildlife Park
- **Charlie Bredo**, owner, Troubled Monk Brewery
- **Arden Delidais**, owner, DNA Gardens
- **Charlie Everest**, owner, Sylvan Lake Aqua Splash
- **Clare Janitz**, conference services manager, Olds College of Agriculture & Technology
- **Riele Kay**, owner, Cilantro & Chive
- **Rachel Kraay**, owner, Kraay Family Farm
- **Nancy Paish**, director of business development & communications, Red Deer Regional Airport; chair, Tourism Red Deer
- **Rene Rondeau**, executive director, Tourism Red Deer
- **Austin Weaver**, executive director, Lacombe Regional Tourism
- **Michelle Zeggil**, economic development officer, City of Red Deer

COMMITMENT TO SUSTAINABILITY & REGENERATIVE TOURISM

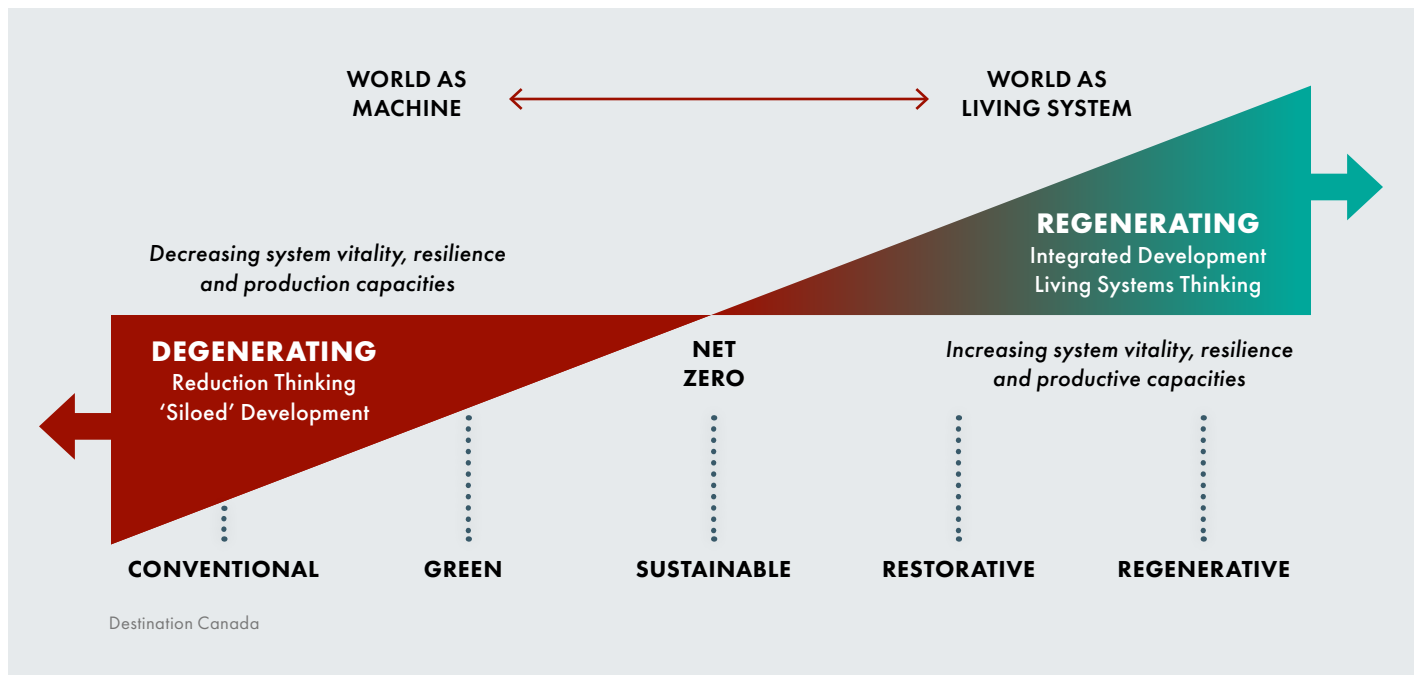
Tourism is a key economic sector in Alberta with strong potential to diversify the economy, create jobs, grow Indigenous tourism businesses, bring the “taste of place” to our guests’ tables and build vibrant communities. It also allows us to preserve and share culture and history, maintain or enhance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



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 Olds to Lacombe TDZ work together to address the most 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 key action steps to support a path forward in the design of a DDP for the Olds to Lacombe TDZ.

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 **“exploring, imagining and visioning”** phase, the consulting team met with the steering committee to determine opportunities, challenges and goals; facilitated planning sessions; and conducted in-depth community assessments within the Olds to Lacombe TDZ. These assessments included visits to five key communities, visits to proposed investment sites, meetings with industry partners and members of local government, interviews with business operators and community members, and interviews over 20 stakeholders.



Claus Rieger, Sylvan Lake

04 STAKEHOLDER ENGAGEMENT



Kerry Wood Nature Centre, Red Deer

61
Stakeholders

321
Businesses

5
Communities

WHAT WE HEARD

In order to gain a comprehensive understanding of the Olds to Lacombe 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:

- The Olds to Lacombe TDZ's most significant tourism and hospitality assets are natural areas, agritourism, culinary experiences, athletic facilities and outdoor recreation.
- A strong sense of community, hard-working individuals, outdoor recreation areas, and vibrant agriculture are all points of pride for zone stakeholders.
- Stakeholders agree that tourism and hospitality are significant drivers of economic growth and quality of life in the Olds to Lacombe zone.
- To grow, the tourism economy within the TDZ needs increased support and access to capital for its small businesses.
- Increased collaboration among partners — including destination organizations, multiple orders of government, tourism businesses and economic development organizations — is essential if this zone is to reach its potential as an agritourism destination.

- The growth of the tourism economy in the zone will require the development of new and enhanced anchor products and experiences reflecting the TDZ's authenticity.
- Stakeholders feel that the area is misrepresented and needs help overcoming social stigma. This is a challenge hindering industry growth.
- The Olds to Lacombe TDZ has an opportunity to further expand its tourism offerings into agritourism, local events, and improved outdoor campgrounds and recreation facilities.

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

05 INDIGENOUS ENGAGEMENT



Indigenous dancer Patrick Mitsuing, Sylvan Lake

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.

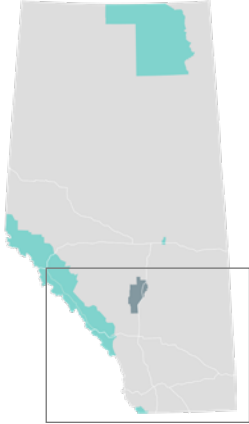
Suzanne Denbak
principle and founder
Cadence Strategies

05 DISCOVERING THE DESTINATION



Downtown Red Deer

OLDS TO LACOMBE



The Olds to Lacombe TDZ runs along Highway 2 between Calgary and Edmonton in central Alberta, and includes Olds, Innisfail, Red Deer, Sylvan Lake and Lacombe. The zone differentiates itself from other TDZs through multi-generationally owned agritourism businesses and year-round outdoor recreational activities. Among these activities, camping, cycling, golf, trail hiking, kayaking, ice fishing, skating and river tubing are especially popular.

Currently, a majority of Albertans and visitors traveling to and through the zone are stopping for a short break on their way between Edmonton & Calgary. Expanding the area's tourism product offerings in agritourism and outdoor recreation holds the potential to redefine this zone as a standalone destination for overnight visitors.

Agritourism

The zone is gaining a reputation for quality culinary products that incorporate the abundance of local produce. With numerous breweries and distilleries, honey farms, wineries and an award-winning cheesemaker, the Olds to Lacombe TDZ is tapping into the farm-to-table movement.

Outdoor recreation

Many provincial parks and natural areas in the zone provide outdoor recreation opportunities the whole family will enjoy. Opportunities for camping, cycling, golf, hiking, kayaking, ice-fishing, skating, tubing and other activities are sprinkled across the zone, but are especially dense near the popular Sylvan Lake and Gull Lake.



DEMOGRAPHICS AND POPULATION

The City of Red Deer in the middle of the Olds to Lacombe TDZ is the third largest city in the province and home to a young population of 105,883 — almost 64 per cent of the total population of the zone. Significant population growth is expected within the zone over the next few years, with four out of five Albertans projected to be living in the Edmonton/Calgary corridor (including Red Deer) by 2046. This population growth will spill over into the more rural areas of the TDZ and provide a strong consumer base.

166,115

POPULATION

10,095

INDIGENOUS POPULATION

9.5%

POPULATION GROWTH
OVER PAST 10 YEARS

12.2%

UNEMPLOYMENT RATE

\$104,416

MEDIAN FAMILY INCOME

(Alberta Regional Dashboard, 2023)

ECONOMIC PROFILE

The Olds to Lacombe TDZ has a diverse economy comprised of industries ranging from agriculture to oil and gas to professional and technical services to tourism. Tourism is most prominent in Sylvan Lake, whereas Red Deer is a strong hub for oil and gas and a variety of service industries supporting the local community. Olds and other smaller communities have strong agricultural industries.

5,479

BUSINESSES

95.4%

SMALL BUSINESSES

\$4.2B

MAJOR PROJECTS

(Source: Alberta Regional Dashboard, 2023)

ACCESS

The Olds to Lacombe TDZ is connected by Highway 2, which is one of Alberta's most well-maintained and travelled highways. The average daily traffic count along Highway 2 between Olds and Lacombe is 31,200 vehicles, of which 80 per cent are personal vehicles and three per cent are recreational vehicles (Alberta Transportation, 2022).

The City of Red Deer, the largest city in this TDZ, is midway between both the Calgary and Edmonton international airports. Red Deer has its own regional airport that currently only operates chartered and cargo flights but plans to launch expanded consumer flight services in fall 2024.

POLICY AND PLANNING CONSIDERATIONS

A number of policy and planning documents were analyzed to better understand the regulatory environment of the Olds to Lacombe TDZ as it relates to tourism development. Key findings include:

- In general, most of the land within this TDZ is private land under the jurisdiction of the municipalities, many of which recognize tourism as an important economic sector.
- The Red Deer Municipal Development Plan identifies local economic development, including tourism, as a guiding principle. The plan also recognizes the conservation of heritage resources as a mechanism to promote tourism, foster local business retention and attract diverse, long-term economic growth. It proposes a partnered approach to marketing Red Deer and central Alberta.
- Lacombe County's and the City of Lacombe's municipal development plans encourage a diverse rural economy that supports the agricultural community through ventures such as tourism, supplemental farm business activities, agricultural support services and Indigenous enterprise.
- The Sylvan Lake Municipal Development Plan recognizes the opportunity to harness the benefits of arts, culture, entertainment, hospitality and tourism to create jobs and enhance the community's quality of life.
- The Olds Municipal Development Plan recognizes that creating an appealing community with high-quality amenities and services is a vital aspect of attracting and retaining the skilled labour force that local businesses — including the tourism sector — require for success. The plan also notes that promoting and enhancing Olds' assets will increase the attractiveness of Olds as a tourism destination.

DESTINATION ECOSYSTEM

Destination Marketing/Management Organizations (DMOs)

The two DMOs in the zone are Tourism Red Deer and Lacombe Regional Tourism — both of which encourage positive and inclusive relationships between the region's tourism industry, community leaders, active stakeholders and visitors.

Tourism Red Deer drives destination development in the Red Deer region, creating awareness of tourism initiatives and offerings, as well as promoting regional collaboration to enhance the visitor experience. They are a membership organization that operates under a fee-for-service agreement with the City of Red Deer (under the Tourism Joint Venture) and Red Deer County. Tourism Red Deer recently completed a new business plan that aims to make Red Deer the top major event destination among mid-sized cities in Canada by 2030, focusing on sporting, recreational, agricultural and rodeo events.

Lacombe Regional Tourism is a DMO that promotes attractions, culture and events within the City of Lacombe and numerous small towns in the surrounding county.

While Sylvan Lake does not have a DMO, it does have a tourism marketing and development coordinator, who works within the Department of Recreation, Culture & Tourism.

The Central Alberta Tourism Alliance (CATA) is a destination development organization representing Innisfail, Red Deer, Sylvan Lake, Blackfalds, Red Deer County, Lacombe County, Rocky Mountain House and Clearwater County. The group was formed by several communities in central Alberta with a goal to create a Destination Management Plan. The plan was completed in 2016, but the group continues to work on action items identified in the plan, such creating an accommodation study, trails study and — this year — an agritourism strategy. CATA members make annual financial contributions to support the completion of initiatives like these and meet monthly to share updates from their communities and discuss project progress. The group does not have a mandate for marketing.

Economic Development Organizations

Most of the communities within the Old to Lacombe TDZ have resources dedicated to economic development. Many of them work closely with local DMOs to support the expansion and growth of tourism development in the zone.

The Department of Land & Economic Development is an important resource for businesses in Red Deer. While the goal of this municipal-level organization is to support business growth, Red Deer County's economic development team aims to support businesses at every stage of development. The County's team has at least one individual who works closely with the City of Red Deer and Tourism Red Deer.

The City of Lacombe's Department of Community and Economic Development is responsible for a diverse portfolio that ranges from community development initiatives to business attraction and retention efforts. Lacombe County also has an economic development officer that is responsible for developing and implementing strategies, marketing plans, and projects to support economic development. Together with Lacombe Regional Tourism, these organizations support tourism development within the community.

The Town of Olds is responsible for economic development, including investment attraction and business retention. While the Town will soon be launching an investment site dedicated to meeting the needs of businesses and investors, tourism is not explicitly included within its economic development mandate.

All of the communities within the Olds to Lacombe TDZ are members of the Central Alberta Economic Partnership (CAEP). The mandate of this group is to stimulate economic growth through strategic regional partnerships by connecting members to tools, resources, training and people. Representing over 45 municipalities and organizations, CAEP takes a collaborative approach to accelerating a sustainable and innovative economy in central Alberta. While CAEP has expressed interest in engaging in tourism development, they have left leadership in the sector up to CATA, the DMOs and communities in the zone.

VISITATION

According to Travel Alberta's anonymized mobile data, in 2019, 96.5 per cent of visitors to this zone were from Canada, while 2.9 per cent hailed from the U.S. Albertans made up approximately 87 per cent of Canadian visitation to this zone, followed by B.C. residents at just over four per cent and Saskatchewan residents at just over two per cent.

AB

VISITOR ORIGIN

Visitation to the Olds to Lacombe TDZ is highly domestic, with the majority of travellers coming from nearby Calgary (17.8 per cent), Edmonton (14.1 per cent), Olds (eight per cent), and Mountain View County (3.2 per cent).

41%

REPEAT VISITORS

Approximately 41 per cent of visitors to the zone visit two or more times per year. Albertans account for almost 44 per cent of repeat visitation.

29 hours

AVERAGE LENGTH OF STAY

International visitors spend the longest time in the zone, with an average of 36.7 hours. The rest of Canada, regional, U.S. visitors and Albertans all have average lengths of stay between 28 and 30 hours.

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.

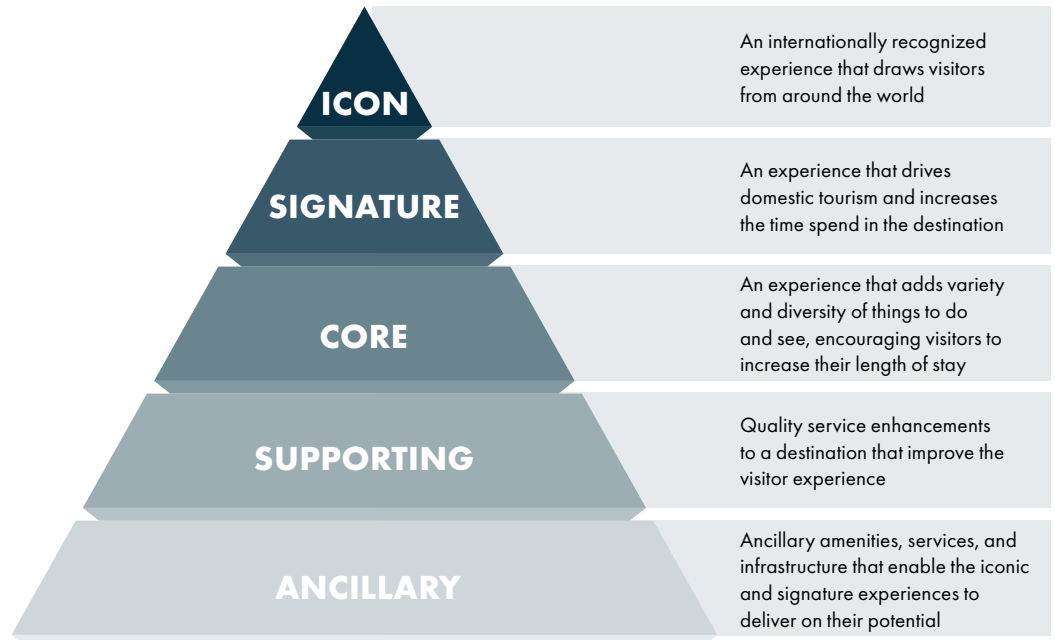
(Source: Near Mobile Data, 2019)

05 DESTINATION ANALYSIS



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)

The majority of the tourism products in this zone are considered supporting products, providing visitors with a comfortable level of service at good value. Growth in this zone will require investors, stakeholders and businesses to look beyond supporting products and create additional core and signature products. This will result in more variety and diversity of experience for visitors, thus encouraging them to spend more time in the TDZ. There are a few planned product development projects in the zone, such as the expansion of all-season activities and unique accommodations that will contribute to building up the core product offering, but more work is required.



Canyon Coaster at Canyon Ski Resort, Red Deer

Supply: Accommodation Mix

The accommodations inventory in the Olds to Lacombe TDZ is generally made up of economy branded hotels and campgrounds, most of which are concentrated in Red Deer.

Creation of new tourism products and experiences will be key in helping to increase overnight stays and the overall appeal of the region. High priorities include development of upper-upscale (4-star) accommodations, such as a boutique hotel or resort, and development of unique glamping options. According to a 2018 study, the central Alberta region includes 78 properties and 4,656 rooms in total. This encompasses all fixed roof accommodations in the form of hotels, motels, cabins, lodges and cottages, but does not include B&B units or guest ranches.

Summary of Hotel/Motel Inventory by Community

	Number of Properties	Number of Rooms
Red Deer City	19	2093
Red Deer County	9	666
Innisfail	5	243
Sylvan Lake	7	271
City of Lacombe	5	245
Blackfalds	2	96
Lacombe County	3	39
Olds	7	346

(Source: CATA Accommodation Study, 2018)

Summary of Campground Inventory by Community/Area

	Red Deer County & Area	Lacombe County & Area
# of properties	16	12
# of Campsites	1,227	492
# of Cabins	12	-
Total Units	1,239	492
Avg Campsites/Campground	77	41

(Source: CATA Accommodation Study, 2018)

Supply: Products and Experiences

An asset inventory conducted in the zone identified over 226 tourism-related assets within the Olds to Lacombe TDZ. These products and experiences primarily serve Albertans and regional visitors. Given its vast geographic area, this zone needs more products and experiences to increase how long these domestic visitors stay and how much they spend. One way to increase the zone's appeal to the international market is to build new itineraries linking the Olds to Lacombe zone to other TDZs, such as the Canadian Badlands and David Thompson. The zone's current lack of market-ready and export-ready businesses could limit its economic growth and impact its ability to attract tourists and investors.

According to Travel Alberta's anonymized mobile data (2019), the most-visited destinations in the Olds to Lacombe TDZ include:

- Sylvan Lake Park
- Jarvis Bay Provincial Park
- Canyon Ski Resort

Natural attractions:

The Olds to Lacombe TDZ's scenic landscape invites visitors to reconnect with nature and travel at a slow pace.

- Gleniffer Lake
- Kerry Wood Nature Centre
- Waskasoo Creek Trail
- Sylvan Lake
- Gull Lake
- Ellis Bird Farm

Historical sites and museums:

Museums and historical sites display and promote the rich history of the Olds to Lacombe zone.

- Danish Canadian National Museum
- Alberta Sports Hall of Fame
- Red Deer Museum + Art Gallery
- Sunnybrook Farm Museum
- Innisfail Historical Village
- Fort Normandeau
- Cronquist House
- Blacksmith Shop Museum
- Stephansson House
- Historic Markerville

Sports and recreation:

Sport and recreation opportunities range from ski resorts and golf courses to skydiving schools and go-kart tracks.

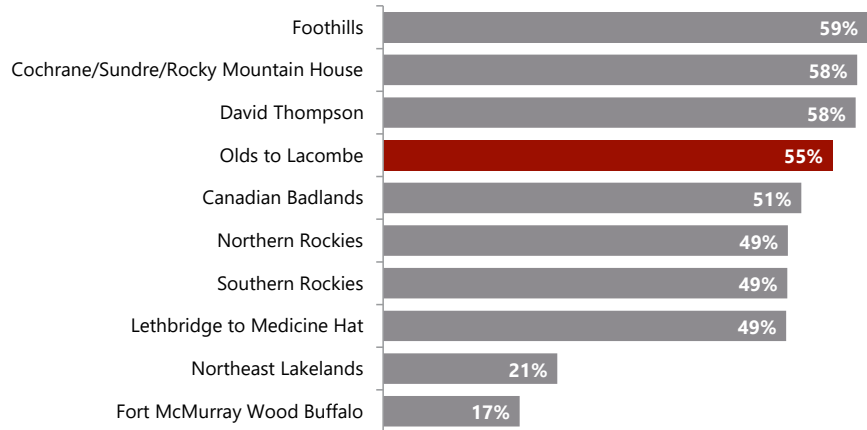
- Canyon Ski Resort
- Olds Golf Course
- Innisfail Golf Club
- Westerner Park, including the Peavey Mart Centrum
- Alberta Skydive Central
- Lakeside Go-Karts and Mini Golf
- River Bend Golf & Recreational Area
- Lacombe Golf & Country Club
- Wood Shed Axe Throwing

Demand: Amongst Albertans

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

- Just over half of respondents are familiar with the Olds to Lacombe TDZ
- Thirty-seven per cent are likely to visit the zone at some point in the future

Familiarity with Destination (Per cent familiar with each TDZ)

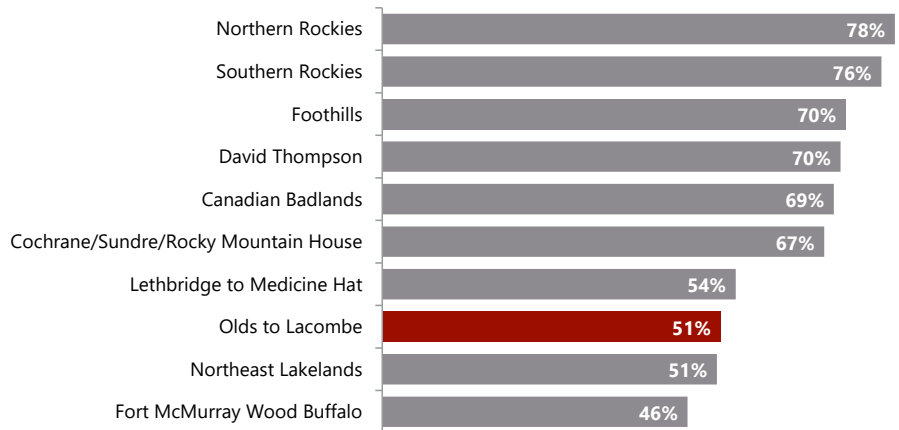


Under 40 per cent of Albertans are likely to visit the Olds to Lacombe TDZ.



Stephansson House Provincial Historic Site, Markerville

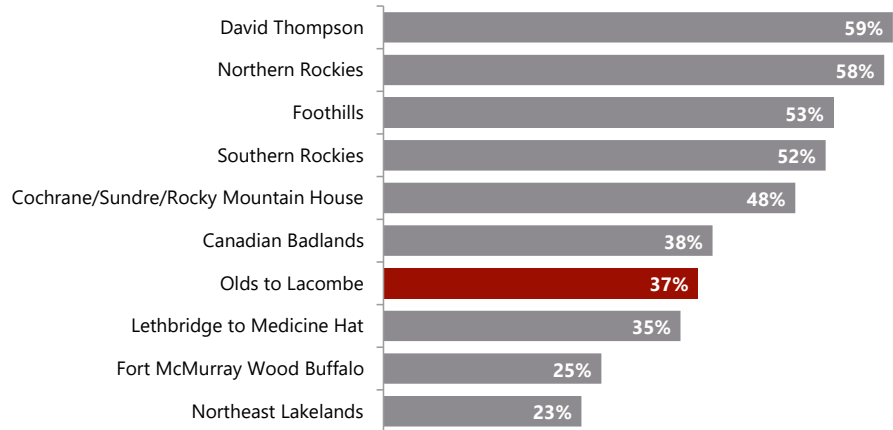
Overall Impression of Destination (Per cent with positive overall impression of each TDZ)



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

72%
 MOST LIKELY TO VISIT
 BETWEEN JUNE AND AUGUST

73%
 LIKELY TO ONLY STAY
 BETWEEN ONE AND TWO NIGHTS



Activities Albertans are most likely to enjoy in the Olds to Lacombe TDZ

While hiking, camping and staying in a cabin are consistently popular across all TDZs, other activities — including visiting farmers markets, breweries and distilleries — are emerging as particularly popular in the Olds to Lacombe zone.

A large majority of potential travellers envision only a day trip, perhaps to a farmers’ market.



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

Demand: International Travellers

Top trip anchors, which are those activities a visitor would centre their trips around, and supporting activities identified by Global Tourism Watch research align well with both existing and potential products and experiences in the zone.

Existing products in the Olds to Lacombe TDZ align best with the trip anchors of visitors from within Alberta, Canada and the U.S. For these visitors, trip anchors include breweries or wineries, nature parks, self-guided driving tours, and local food and drink.

While the zone does have some products and experiences aligned with trip anchors favoured by the international market, they are not significant enough or close enough to major attractions to drive any substantial demand.

(Source: Global Tourism Watch, 2021)

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.



Wood Shed - Axe Throwing, Sylvan Lake
Dustin Cressey @dusty.cressey

Curious Adventurers, for whom travel is about getting a different perspective on the world, are the prime target market for this zone.

In the Olds to Lacombe TDZ, these visitors can explore all things local (from honey to cheese), learn how to cook like a chef, throw an axe like a lumberjack, and fish the zone's many rivers and lakes. The beautiful countryside offers Curious Adventurers ample opportunity to discover small-town farmers' markets, make spontaneous stops to pick berries, take a break to enjoy a slice of homemade pie, or immerse themselves in local history at one of the TDZ's many museums.



Heritage Ranch, Red Deer

A secondary target market is the Hot Spot Hunter. For Hotspot Hunters, travel is about achievement and accomplishments. Activities that would attract these travellers include: riding the new coaster ride at Canyon Ski Resort, visiting the numerous breweries on the Red Deer Ale Trail, taking a swing on one of the zone's golf courses, and enjoying a romantic date night (complete with a carriage ride and fine dining) at Heritage Ranch.

Trends impacting tourism

As destination organizations and businesses at all levels 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

Due to its unique historical and natural attractions, the Olds to Lacombe TDZ offers experiences entirely unlike those visitors might seek out in peer destinations. Particularly in agritourism, there are many opportunities to develop novel tourist experiences. The new Ale Trail, along with the Gasoline Alley Farmers' Market (which is looking to be a starting/ending point for future culinary and farm tours), are promising signs that stakeholders are already starting to realize these opportunities.

Regenerative travel

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.

While regenerative travel hasn't historically been a focus for the zone, its small towns include many family-owned businesses — from unique retail stores to restaurants and producers — working together to offer farm to fork experiences, open their doors to visitors and create new local attractions.

Exotic destinations attract young travellers

Younger travellers are not looking exclusively for sun and beach destinations; they also want immersive adventure, often involving high doses of adrenaline and off-the-beaten-path destinations.

The Olds to Lacombe TDZ provides numerous opportunities for younger travelers to get off the beaten path and enjoy small town events and festivals; local breweries, distilleries and wineries; outdoor activities (from camping to skydiving); and farm to fork experiences. Communities and businesses that are able to offer something beyond a traditional "tourist" experience and communicate with the most adventurous travellers will build a strong, future-proof competitive advantage.

Single destination, longer stays

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 many strategic plans of towns within the Olds to Lacombe TDZ aiming to capitalize on day trippers, making their stays longer or initiating returns to the area. Interesting, multi-day itineraries that capture the imagination could entice travellers to stay overnight in the zone or come back more frequently. Because the Olds to Lacombe TDZ lacks the unique and higher-end accommodations that might draw visitors, longer stays will need to be motivated by unique and compelling attractions and experiences, rather than novel or luxurious accommodations.

(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 Olds to Lacombe TDZ support tourism in their community and understand its value. However, they are relatively unlikely, compared with residents of other Alberta TDZs, to share experiences and things to do in their community with others. They did not respond strongly when asked whether attractions, events, and things to do were an important part of making their community a vibrant place.

Residents don't recognize the value of tourism assets to community vibrancy.

It will continue to be important to foster deeper connections with residents in these areas. Many residents do not immediately recognize that many of the amenities they enjoy are also tourism assets and, if utilized as such, these tourism assets could greatly improve the quality of life and vibrancy of their community. Increasing residents' appreciation for local tourism assets may help to create local ambassadors.

Highlights: Resident Sentiment

QUESTIONS	TOTAL ALBERTA RESIDENTS	OLDS LACOMBE RESIDENTS
How important is tourism to your community?	70%	73%
I would welcome more visitors to my community	62%	74%
A strong tourism industry improved my quality of life	61%	60%
The attractions, events, and things to do here are an important part of making my community a vibrant place	83%	62%
This is a vibrant community and area – there is lots to do	70%	54%
My community and area offers experiences I want to tell others about	65%	55%

(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

- There is a lack of diverse accommodation options (including boutique, alternative, yurts, glamping) and business hotels with convention space.
- There is a limited number of higher-end, boutique-style accommodations that offer visitors a sense of place (through outdoor amenities and adventures, culinary options or cultural interpretation) and support a lucrative source market.
- Local stakeholders have a tendency to view tourism through the marketing and promotion lens and would benefit from a more holistic destination management approach.
- There is no cohesive message or theme describing the Olds to Lacombe zone as a destination to potential visitors or residents.
- Local stakeholders are confused about the concept of “Olds to Lacombe” and how a unified identity or theme could attract visitors and benefit tourism in the zone.
- There is low destination awareness among potential Albertan visitors, according to recent research.
- Residents do not fully appreciate the benefits of tourism and have a mistaken perception that tourism is not a priority industry supporting the local economy.
- Insufficiently trained labour across almost all sectors has led to limited supporting staff for tourism-related businesses and organizations.
- Difficulty to guarantee quality, year-round tourism employment, especially for youth.
- Proximity to major world-class destinations (such as Banff) and major metropolitan areas (such as Calgary and Edmonton) is a benefit in terms of access to potential markets, but a challenge in terms of consumer attention and interest dilution.
- Since the service sector has historically not been a main focus, the Olds to Lacombe zone’s tourism industry is still establishing itself.
- Tourism operators’ morale has been damaged by economic instability, creating an environment that is not conducive to business operation or tourism.
- Rural communities are both under-connected and under-serviced, which dissuades travellers from staying more than a day or two, especially in the winter and shoulder seasons.

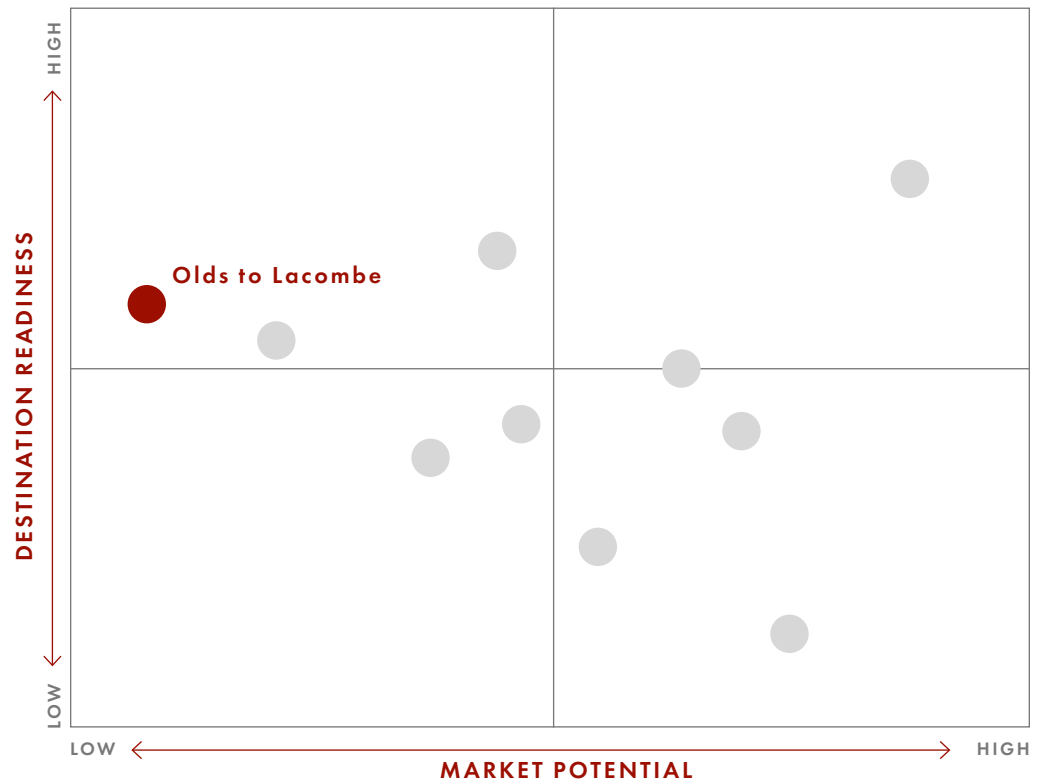
Opportunities

- By identifying major tourism assets, we can drive visitation and multi-day stays.
- Collaboration among communities could be improved, benefitting and increasing the number of tourism initiatives within the zone.
- By enabling tourism leadership in the Olds to Lacombe TDZ, communities could support destination management activities in service of the long-term vision and goals for the zone.
- There are many opportunities to increase residents’ sense of place and awareness of the local unique offerings.
- Increased public and private transportation options to enable visitors to get around communities within the Olds to Lacombe TDZ, as well as to and from main and regional airports, would encourage more visitors to come and stay longer.
- Over the longer term, there is an opportunity to convert local tourism stakeholders, communities and residents to a mindset that prioritizes tourism.
- Communities within the zone can engage tourism stakeholders on all levels, encouraging them to enhance the visitor experience and build up a culture of tourism.
- The Olds to Lacombe TDZ can demonstrate that tourism is a force for good that supports the local economy, as well as social and environmental priorities.
- The Olds to Lacombe TDZ has the potential to become the major agritourism and culinary region in Alberta.
- Communities can promote year-round tourism by communicating with target markets through more specific campaigns based on market research.
- There is potential to leverage the momentum created by the zone’s strong entrepreneurial spirit by identifying entrepreneurs, connecting them with business opportunities and making space for them to thrive.

DESTINATION MATURITY AND READINESS

The Olds to Lacombe 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. 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 into our initial assessment as indicated in the matrix below.

- Collaboration among stakeholders
- Focus on marketing and promotions
- Lack of export-ready products and experiences
- Few residents fully recognize how tourism impacts community vibrancy



The grey dots represent the position of the Olds to Lacombe TDZ relative to the ten other TDZs across the province.

05 VISION FOR THE FUTURE



Discovery Canyon Park, Red Deer

“Our 2035 goal is for this TDZ to become a sought-after, year-round, multi-day tourism destination that entices visitors with an array of experiences unique to the history and culture of the Alberta plains in the Olds to Lacombe zone.”

– Olds to Lacombe TDZ Steering Committee

DESTINATION 2035

The Olds to Lacombe TDZ, located between Calgary and Edmonton along Highway 2, offers much more than a quick stopover, rewarding those looking to get off the beaten path and make authentic connections to people and place. Visitors are invited to taste fresh produce and locally grown foods from the area’s many multigenerational farms, enjoy the vibrant brewery and distillery scene and experience the unique heritage of authentic small-town Alberta. The area offers many provincial parks and natural areas, providing outdoor recreation opportunities the whole family will enjoy – including camping, cycling, golf, hiking, kayaking, ice-fishing, skating, tubing and more.

While we’ve already discussed this TDZ’s great potential to become an agritourism hub for the province, there are also opportunities to develop the communities, businesses and infrastructure around Sylvan Lake and Gull Lake with the goal of expanding outdoor recreation offerings.

Multi-day itineraries showcasing the rich history of the TDZ through a multitude of products and experiences will inspire visitors to investigate all the zone has to offer – from museums and historical sights to family farms and local culinary delights. Expanded accommodation offerings (such as farm stays) will enable and entice these visitors to stay overnight in the zone.

The Olds to Lacombe TDZ will also become a year-round, go-to destination for outdoor recreation

activities and events, attracting individuals, sports groups and spectators. Equipment rentals, expert guides, new amenities and services will make the lakes more accessible to visitors looking to participate in activities ranging from ice-fishing tours to fat bike races.

Whether focusing on agritourism, outdoor recreation, or another facet of tourism in this zone, stakeholders will need to collaborate and coordinate with each other, abiding by the following principles as they work to help the Olds to Lacombe TDZ reach its full potential:

- Align community and tourism goals for mutual benefit by encouraging development in a thoughtful, meaningful and sustainable manner
- Foster a cooperative and enabling environment for tourism stakeholders and entrepreneurs to grow their businesses and develop new regional products and experiences
- Welcome visitors as guests to the Olds to Lacombe TDZ and offer authentic experiences that celebrate the area’s local history and people

By 2035, the TDZ will appeal to higher-end travellers from across Alberta and Canada, with new products and experiences encouraging them to stay longer and spend more.

STRATEGIC INITIATIVES

In support of tourism development within the Olds to Lacombe TDZ, multiple strategic initiatives were identified by local stakeholders and communities. These initiatives include:

01. Increase collaboration among tourism businesses in the TDZ
02. Increase the overall accommodations offering, with a focus on upper-scale glamping and boutique accommodations
03. Increase overall product offerings, with a focus on anchor attractions
04. Create packages and itineraries that appeal to a higher-value traveller
- 05.

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 throughout the Olds to Lacombe 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 the zone and encourage them to stay longer.



Troubled Monk, Red Deer

06 CONCLUSION AND NEXT STEPS

To achieve these outcomes, the Olds to Lacombe TDZ must attract new public and private sector investment to enhance some of its current high-potential tourism assets, while also developing new ones.

Success in attracting investors will be improved by the area's ability to address systemic challenges facing tourism in the zone. These challenges include: a lack of awareness of the area as a tourism destination; limited accommodation options, especially at the upscale and upper-upscale levels; limited products and experiences, including those that are market-ready; and a lack of appreciation among residents, businesses and local governments of the power of tourism as an economic driver.

Equally as important is the need to identify the tourism assets within the TDZ that hold the highest potential over the short-, medium-, and longer-term to successfully reposition the zone as a must-see, must-experience destination. Leveraging the momentum of the zone's entrepreneurial spirit by identifying entrepreneurs, connecting them with opportunities and ideas, and making space for them to thrive will help in both the initial asset identification and ultimate zone repositioning processes.

Successful implementation of the strategic initiatives found in this report will both realize the zone's existing potential 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 a popular and sustainable destination are in place.



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