

TOURISM DEVELOPMENT ZONE

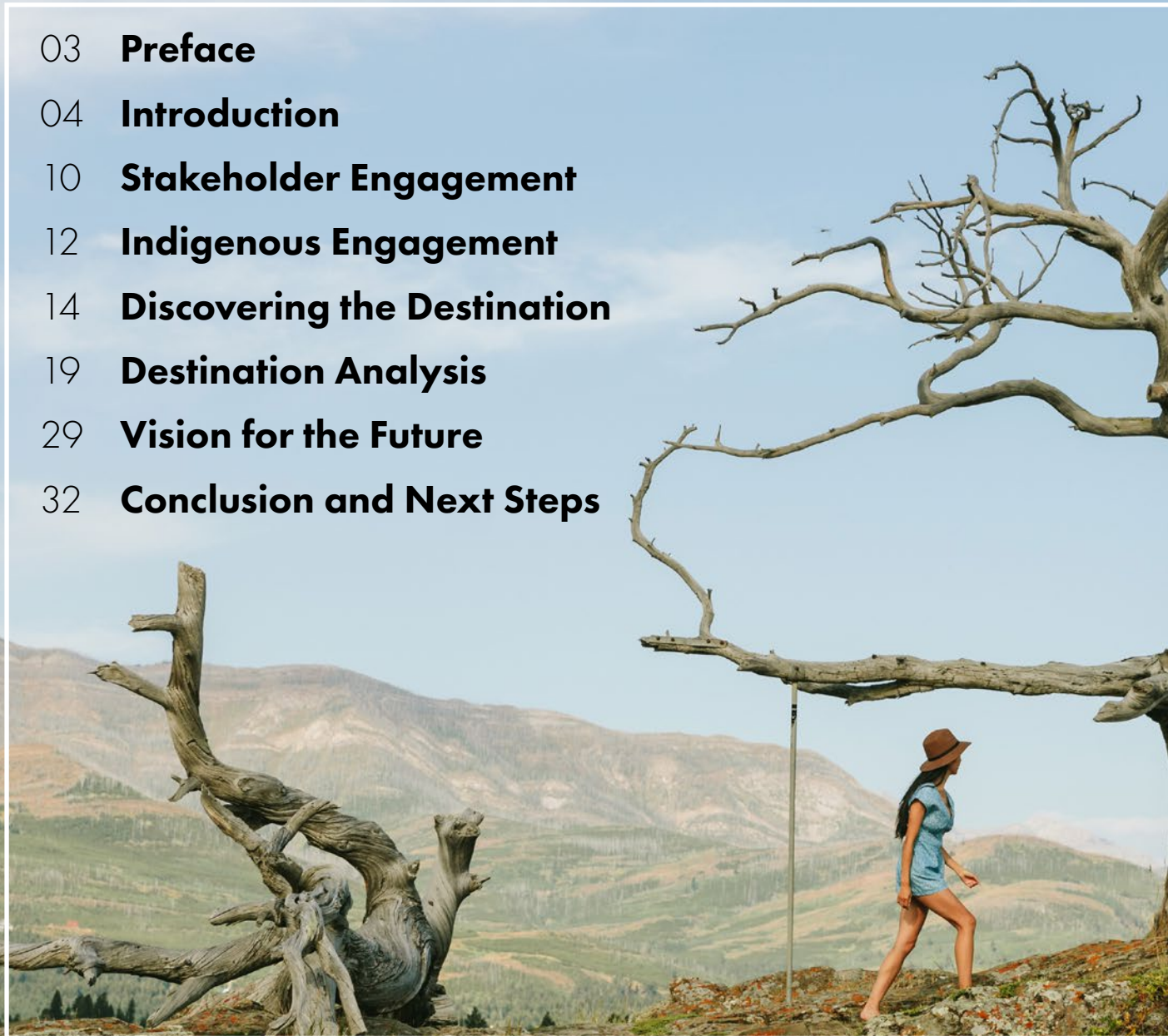
Southern Rockies



DISCOVERY
REPORT
2023

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Front cover:
Castle Mountain Resort, Pincher Creek

The Burmis Tree, Pincher Creek

PREFACE

Featuring an ecologically and geologically diverse landscape nestled in the Canadian Rocky Mountains, the Southern Rockies Tourism Development Zone (TDZ) is an untapped tourism destination with significant potential to attract Canadian and international visitors — including those who are currently just passing through instead of stopping to stay.

Co-operation and collaboration between local governments, provincial government partners, residents, businesses and other tourism stakeholders will be essential to advance tourism development in the Southern Rockies zone.

This Destination Development Discovery Report for the Southern Rockies TDZ:

- Highlights 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 Southern Rockies TDZ in order to capitalize on existing assets and catalyze future growth and prosperity
- Demonstrates the need for local and provincial stakeholders to work together to develop new and enhanced products and services. These enhancements will turn the Southern Rockies into a destination rather than a place to pass through.

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.

This Discovery Report informs and identifies specific actions Travel Alberta, the Government of Alberta and communities within the Southern Rockies 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.



Bellevue Mines, Crowsnest Pass

03 INTRODUCTION



Bear's Hump, Waterton Lakes National Park
Alex Strohl @alexstrohl

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 Southern Rockies 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 7 signatories, including the Blackfoot Confederacy, Tsuut'ina and Stoney Nakoda homelands. We also acknowledge members of the Foothills Métis District within the homeland of Métis and the Otipemisiwak Métis Government, as well as Indigenous Peoples living in urban areas throughout the Southern Rockies. 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, gave their time and shared their knowledge with us in the creation of this Discovery Report.

Please note, Indigenous engagement is currently underway.

- **Sacha Anderson**, general manager, Community Futures Crowsnest Pass; advisor, South Canadian Rockies Tourism Association
- **Marie Everts**, marketing, events & economic development officer, Town of Pincher Creek; advisor, South Canadian Rockies Tourism Association
- **Erin Fairhurst**, DMO coordinator, South Canadian Rockies Tourism Association; co-owner, AIRaceLab
- **Cole Fawcett**, sales & marketing manager, Castle Mountain Resorts; board member, South Canadian Rockies Tourism Association
- **Kelly Koizumi**, marketing & sales manager, Heritage Inn; board member, South Canadian Rockies Tourism Association
- **Laura McKinnon**, development officer, Municipal District of Pincher Creek
- **Chris Matthews**, CEO, Heritage Crowsnest
- **Keith Robinson**, owner, Dark Sky Guides; council member, Waterton ID 4; VP, Waterton Chamber of Commerce
- **Shameer Suleman**, owner, Mani Krupa Inns & Resorts; president, Waterton Chamber of Commerce
- **Patrick Thomas**, CAO, Municipality of Crowsnest Pass
- **Bev Thornton**, executive director, Alberta Southwest Regional Economic Development
- **Melissa Zoller**, general manager, The Glamping Resorts; board chair, South Canadian Rockies Tourism Association

COMMITMENT TO SUSTAINABILITY & REGENERATIVE TOURISM

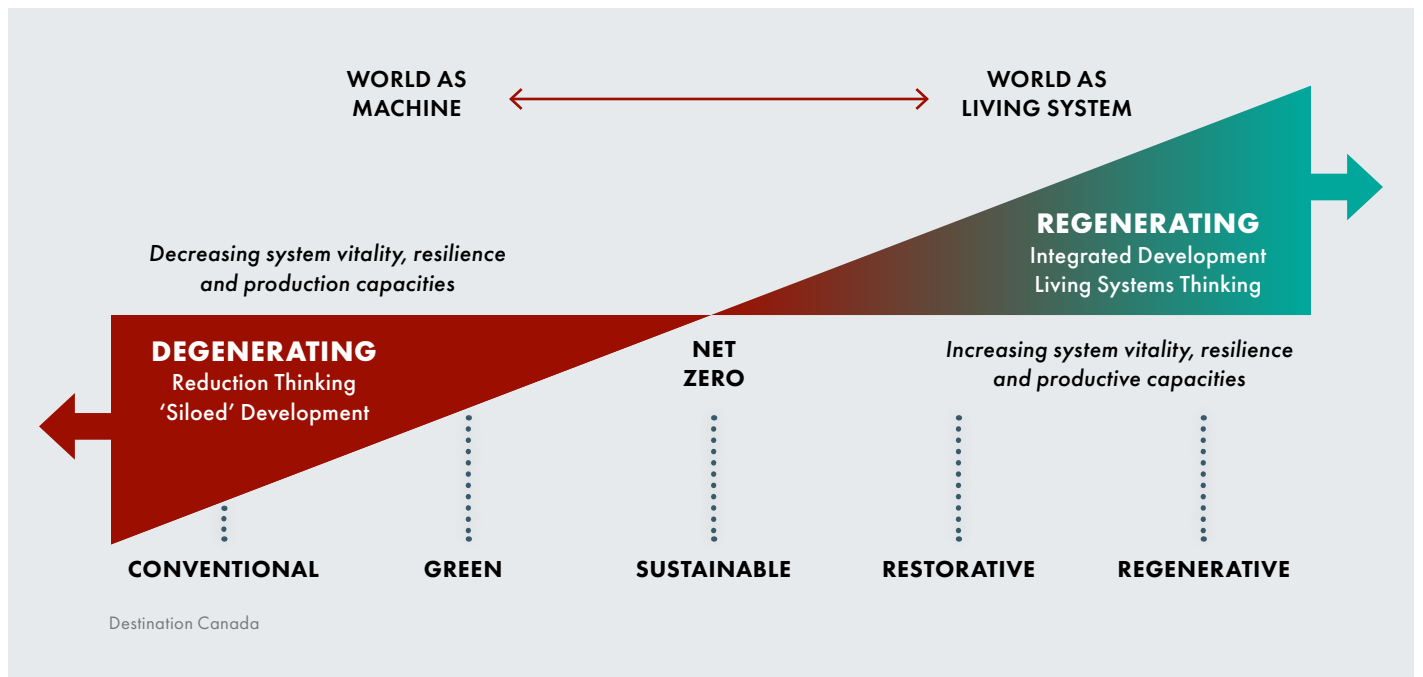
Tourism is a key economic sector in Alberta with strong potential to diversify the economy, create jobs, grow Indigenous tourism businesses, bring the “taste of place” to our guests’ tables and build vibrant communities. It also allows us to preserve and share culture and history, maintain or enhance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



Charmed Resorts, Crowsnest Pass

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 Southern Rockies TDZ work together to address the following relevant inter-related elements:



(Adapted from Failte Ireland)

METHODOLOGY

Travel Alberta partnered with consulting firm FLOOR13, the IBI Group, Jennifer Nichol Consulting, EDG Planning & Design and Grant Thornton 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 Southern Rockies TDZ.

In the **“discovery and destination profiling”** phase, Travel Alberta worked with the consulting team to host a kickoff event with the zone’s key tourism stakeholders, assessed secondary research material for situational analysis development, built a steering committee (including 12 industry partners), and defined roles within the steering committee.

In the **“exploring, imagining and visioning”** phase, the consulting team conducted an initial community assessment and 17 business visits; hosted three stakeholder planning sessions (attended by 60 participants) to discuss issues, opportunities, vision, prioritization and action planning; met with the steering committee to determine opportunities, challenges and goals; conducted 16 virtual interviews with small groups of stakeholders and hosted update sessions with the steering committee to share findings from these interviews; performed a SWOT analysis, gap analysis and USP alignments; identified real and potential products and experiences within the zone.



Cameron Lake, Waterton Lakes National Park

04 STAKEHOLDER ENGAGEMENT



Coleman

114

Stakeholders

63

Businesses

4

Communities

WHAT WE HEARD

In order to gain a comprehensive understanding of the Southern Rockies 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 needs to be greater collaboration, communication and commitment to between Waterton, Pincher Creek, and Crowsnest Pass and a commitment to work with Travel Alberta to implement strategic initiatives to advance tourism growth in this zone.
- This area offers significant potential to capture drive-through traffic heading to British Columbia.
- The Southern Rockies TDZ has the potential to provide visitors with the nature-based tourism experiences they are seeking.
- Some local leaders require further opportunities to learn about the value of investing in and supporting tourism in their community.
- Communities within the zone have different visions for the area and different perspectives on how tourism should be approached.
- Owners of tourism businesses are proud of the area and feel the growth potential for tourism is substantial.
- Tourism growth will require new accommodations, improved transportation services and further investment in tourism products and experiences.
- A sustainable approach to development should be taken to ensure that the area generates economic, environmental, social and cultural benefits for the community.
- Alignment between all orders of government on policy, processes and timelines, related to land use, transportation, all-season resort development, and private-sector investment opportunities is integral.
- There is a great opportunity to diversify tourism seasonality and encourage longer visitor stays by expanding tourism products and experiences into off-season.
- Development of the tourism industry could provide economic alternatives to traditional resource development, as well as encourage the attraction of new residents to the Southern Rockies TDZ.

05 INDIGENOUS ENGAGEMENT



Head-Smashed-In Buffalo Jump World Heritage Site

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.

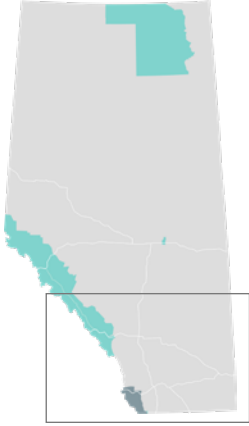
Suzanne Denbak
principle and founder
Cadence Strategies

05 DISCOVERING THE DESTINATION



Castle Provincial Park

SOUTHERN ROCKIES



Where sky scraping mountains meet crystal clear lakes, many consider the Southern Rockies to be Canada's best kept secret. Bordering British Columbia to the west and Montana to the south, this region is a haven for adventure, history and wildlife.

The iconic Canadian Rockies and Waterton Lakes National Park draw visitors to the area, but there are more diverse opportunities to explore — from local bistros and breweries to historical sites and roaming wildlife. Away from the hustle and bustle of more trafficked areas, this zone offers breathtaking views of rolling grasslands and awe-inspiring mountains.

Historical and Cultural Discovery

Quintessential Alberta culture is plentiful throughout this area. The Southern Rockies are populated with welcoming ranches, meandering bison, and 1920s architecture that transport visitors back to the early days of Canada's west. The rich and diverse histories of Indigenous cultures — including that of the Blackfoot Confederacy — are evident across the zone, particularly in places like Head-Smashed-In Buffalo Jump, a UNESCO World Heritage Site.

Soft Adventure

The Southern Rockies are also a soft adventure paradise offering visitors a year-round array of recreational options such as cycling, downhill and cross-country skiing, trekking, golf, snowmobiling, mountain biking, fishing, hiking and hunting.

Immersion in Nature

Waterton Lakes National Park isn't just part of the Southern Rockies — it's part of the "Crown of the Continent" ecosystem, one of North America's most diverse intact ecosystems. Recognized as the first International Peace Park, one of the International Dark-Sky Association's first International Dark Sky Parks, and Canada's second Biosphere Reserve, the park has also been designated a UNESCO World Heritage Site and a National Historic Site in Canada.

From cowboy culture to adrenaline fueled sports to arts and fine dining, this zone has it all. By developing supportive products that invite visitors to stay longer and explore more parts of the region, this zone will achieve its untapped potential as a tourism destination.



DEMOGRAPHICS AND POPULATION

The population of the Southern Rockies TDZ primarily resides in the Municipality of Crowsnest Pass, Village of Cowley, Town of Pincher Creek, Municipal District of Pincher Creek, and the Waterton townsite located in Waterton Lakes National Park. With only 12,567 residents reported in 2022, a population decline has been observed since 2013, with the exception of the year 2016, which had a minor population increase.

Seventy per cent of the zone's total population resides in Crowsnest Pass (5,642) and the Town of Pincher Creek (3,428). These two main centres both have aging populations, with Crowsnest Pass reporting a median age of 50.6 and Pincher Creek reporting a median age of 44 — well above the provincial median age of 38.1. This high median age explains the zone's continuous decline in labourers, amounting to 6,060 in 2023.

The zone's aging, dwindling population has created challenges for the communities within the zone and has a significant impact on the tourism industry and its ability to attract and retain employees.

Note: Crowsnest Pass has a large contingent of people who reside in other locations, mostly Calgary, but own a second home within the municipality. These second-home owners would not be accounted for in official statistics.

12,567

POPULATION

815

INDIGENOUS POPULATION

- 3.8%

POPULATION GROWTH
OVER PAST 10 YEARS

8.3%

UNEMPLOYMENT RATE

\$98,607

MEDIAN FAMILY INCOME

(Alberta Regional Dashboard, 2023)

ECONOMIC PROFILE

The economy of the Southern Rockies TDZ relies on agriculture, wind energy and natural resources. The Town of Pincher Creek also reports seeing some growth in tourism and related businesses in recent years. Although there are no current active coal mines in the TDZ, a significant mining workforce resides in Crowsnest Pass and commutes to Sparwood, B.C. daily.

566

BUSINESSES

97.4%

SMALL BUSINESSES

\$513M

MAJOR PROJECTS

(Source: Alberta Regional Dashboard, 2023)

ACCESS

The Southern Rockies TDZ is located in the southwest corner of the province. Albertans and out-of-province travellers access the zone primarily via major highways 2, 22 and 3. Highways 2 and 22 are the main highways that connect this zone to Calgary, while Highway 3 connects the zone to B.C. According to Alberta Transportation and Economic Corridors' highway traffic data, the annual average two-way daily traffic volume along Highway 3 at the B.C. border was 4,980 in 2019. The summer average was 6,328 vehicles per day.

Air access to the zone is mostly limited to regional travel from the Lethbridge airport. Pincher Creek does have a small regional airport, which is currently used in support of industry.

POLICY AND PLANNING CONSIDERATIONS

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

- The 2021 Intermunicipal Collaboration Framework between Crowsnest Pass and Municipal District of Pincher Creek stated that the Municipality of Crowsnest Pass and the Municipal District of Pincher Creek share a common history and foundation based upon agriculture and a resource-based economy, with a recent realization that tourism can be a new potential industry to grow the economy.
- The 2020 Crowsnest Pass Municipal Development Plan acts as a guide for growth and change in the municipality over the next 17 years. The plan reflects an opportunity for steady tourism growth primarily focused on nature-based and historical tourism.
- In 2021, the Town of Pincher Creek released a Community Economic Development Strategy that identifies tourism as a way to “leverage key community assets for a diversified economy,” which is one of the strategy’s four goals. The town is also investigating developing a tourism master plan for Pincher Creek and Piikani Nation.
- The Municipal District of Pincher Creek’s updated Municipal Development Plan was released in 2021. Recreation and tourism development requirements are detailed in the Commercial Development section. Developers may be required to demonstrate that any negative social or environmental impacts can be mitigated to the satisfaction of the town council or other approval authorities.
- There are three provincial parks in the TDZ — Beauvais Lake Provincial Park, Castle Provincial Park and Castle Wildland Provincial Park, as well as a substantial amount of public land, which is under the management of the Government of Alberta.
- The Castle Management Plan (2018) provides management objectives and a framework to guide park operations and development. It notes the opportunity for the park to provide exceptional tourism experiences.
- In Waterton Lakes National Park, any development proposals within Improvement District — ID #4 must demonstrably support the vision and objectives of Parks Canada’s Waterton Lakes Park Management Plan and be approved by Parks Canada.



Glamping Resorts, Castle Provincial Park

DESTINATION ECOSYSTEM

Destination Marketing/Management Organizations (DMOs)

The Southern Canadian Rockies Tourism Association (SCRTA) is the primary non-profit DMO in this zone. The organization was established in 2021 by several entities, including Crowsnest Pass Community Futures, Castle Mountain Resorts and the Town of Pincher Creek. SCRTA has been mandated to:

- Achieve a single voice for tourism
- Work towards enhancing the well-being of residents
- Fulfill both a leadership and advocacy role for tourism
- Ensure the development of an attractive and competitive set of tourism facilities, events and/or programs

- Assist visitors through the provision of products and services
- Serve as a key liaison to assist external organizations
- Ensure destination management and stewardship
- Support economic sustainability and diversification

Beyond SCRTA, the Waterton Chamber of Commerce has been responsible for its own tourism marketing and promotion for years. While the Chamber of Commerce does not yet participate in SCRTA initiatives, there have been discussions about the possibility of collaborating more closely.

Economic Development Organizations

Alberta SouthWest Regional Economic Development (Alberta SW) coordinates economic development and investment attraction within this zone, fostering business development and prosperity in 15 towns, villages, and rural municipal districts in the southwest of the province. While tourism is not explicitly included within Alberta SW's mandate, the organization does support tourism inquiries. Alberta SW, the Town of Pincher Creek and Community Futures of Crowsnest Pass have recently finished a joint tourism asset inventory project for the region.

The Crowsnest Pass Chamber of Commerce is a self-funded non-profit organization that advocates for businesses in the Crowsnest Pass. The group embraces tourism, considering itself "an important link in the ever-changing world of business, marketing and tourism for Crowsnest Pass." It produces the Crowsnest Pass Visitors Guide annually.

Community Futures Crowsnest Pass and Community Futures Alberta Southwest are dedicated to building an economically diverse future for this region's communities. The offices provide services to businesses across all sectors to start, grow, expand, franchise or sell.

The Town of Pincher Creek, with the help of an active local chamber of commerce, supports new businesses and works to help retain existing businesses. The town and the chamber have partnered to create a Business Recovery Support Program to assist businesses — including tourism businesses — to thrive and grow stronger.

VISITATION

According to Travel Alberta's anonymized mobile data, in 2019, 92.3 per cent of visitors to this zone were from within Canada, while just over seven per cent hailed from the U.S. Most visitation to the zone is not just Canadian, but more specifically local, with the majority of visitors coming from nearby Lethbridge. At the provincial level, 81.4 per cent of visitation is from Alberta, and B.C. accounts for just over seven per cent of visitation. Because of its proximity to the U.S., the zone does see strong U.S. visitation.

AB

VISITOR ORIGIN

Visitation to the Southern Rockies TDZ, like visitation to the whole of Alberta, is highly domestic, with the majority of visitors coming to the area from nearby Lethbridge (13.3 per cent), Calgary (13 per cent), Crowsnest Pass (9.4 per cent), Claresholm (4.2 per cent) and Cardston County (3.3 per cent).

39%

REPEAT VISITORS

Just under 40 per cent of visitors to the Southern Rockies TDZ visit two or more times per year.

35 hours

AVERAGE LENGTH OF STAY

On average, visitors spent 35 hours in this zone, with international visitors spending an average of just under 21 hours, compared to Albertans who spend almost 39 hrs. Generally, a longer stay, including overnight, will result in a greater spend.

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)

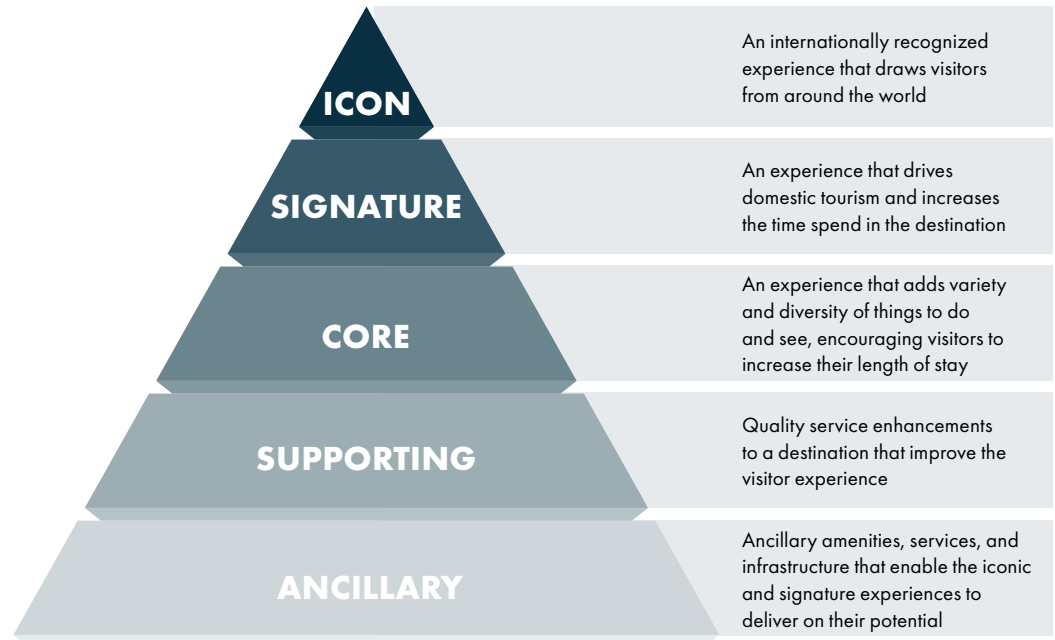
05 DESTINATION ANALYSIS



Frank Slide Historic Site
Crownsnest Pass

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 the Southern Rockies TDZ are considered core products, with the exception of the Prince of Wales Hotel within Waterton Lakes National Park, which sees strong visitation from the U.S. There is a need for further supporting product and amenities (such as accommodations and restaurants), to facilitate future growth, attract leisure visitors from around the world and support the few signature products that already exist in the zone. Filling this gap in product types — including taking advantage of the tremendous opportunity to develop Castle Mountain Resort as a four-season resort — will be a priority within the zone moving forward.



The Lodge at Thanksgiving Ranch, Pincher Creek

Supply: Accommodation Mix

This zone lacks economy and upper-scale accommodations, as well as glamping and RV sites.

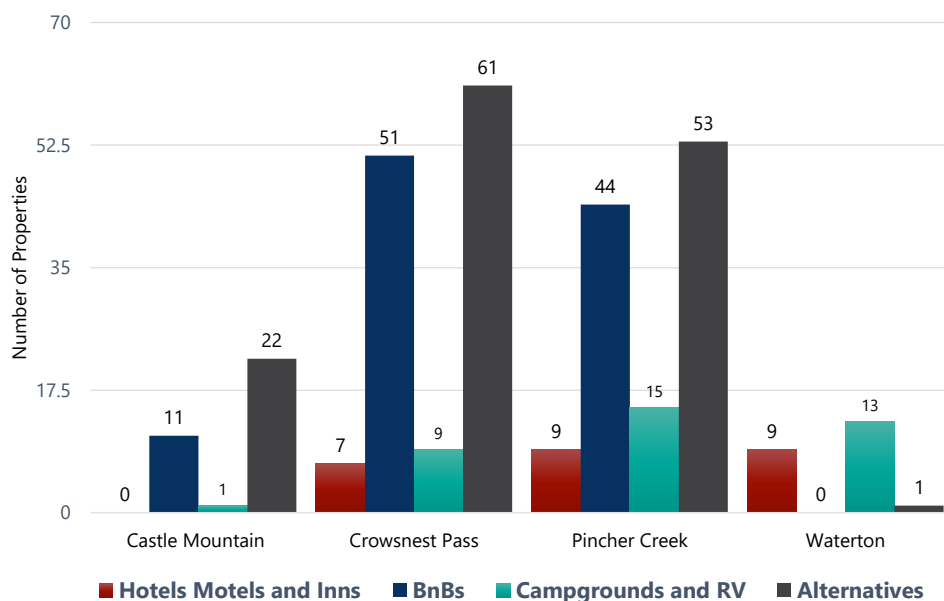
Currently, the Town of Pincher Creek has the highest concentration of economy-level accommodations and serves as a service hub for other areas within the zone.

In recent years, new small-scale, unique accommodations such as grain silos, storybook-themed cabins, glamping resorts and luxury ranch houses with mountain views have been developed with the goal of attracting high-value travellers.

The majority of new and existing accommodations in the Southern Rockies TDZ are open year-round, except for accommodations within the Waterton townsite, where only two hotels remain open during the winter months. (The majority of the hotels in the townsite have not been winterized.)



Accommodation Supply



The accommodation supply noted in the graph above does not include the more recent, small-scale developments, including:

- The Glamping Resort:**
 17 glamping units made available in May 2023 with a total of 80 units to be built out using a multi-phased approach
- Charmed Family Resorts (expansion):**
 additional six storybook-themed cabins available by the end of 2023
- Twin Butte Silos:**
 three grain silos available by fall 2023
- Travelodge Pincher Creek (expansion):**
 construction of 14 individual guest cabins in a park-like setting, providing four season family-style accommodations adjacent to the 40-room hotel

(Innovisions & Associates, 2022)

Supply: Products and Experiences

In November 2022, Innovisions & Associates was commissioned by Southwest Regional Economic Development Alliance and South Canadian Rockies Tourism Association to conduct a tourism asset inventory. As a result, a total of 322 assets were identified within the zone. These products and services include tourist attractions, food and beverage establishments, facilities, annual events, guiding companies and more. Crowsnest Pass currently has the most assets, offering predominately soft adventure and natural/heritage site experiences.

Operators and attractions include:

- Frank Slide Interpretive Centre
- Bellevue Underground Mine
- Pass Powderkeg Ski Area
- Kootenai Brown Pioneer Village
- Heritage Acres Farm Museum
- Uplift Adventures
- Crowsnest Pass Golf Club
- Castle Mountain Resort & Ski Hill
- Pale Horse Tipi Camp
- Waterton Shoreline Cruise
- Dark Sky Guides
- Head-Smashed-In Buffalo Jump – UNESCO World Heritage Site
- Waterton Biosphere Reserve – UNESCO World Heritage Site

Provincial and national parks include:

- Castle Wildland Provincial Park
- Castle Provincial Park
- Beauvais Lake Provincial Park
- Waterton Lakes National Park

According to Travel Alberta's anonymized mobile data (2019), the most-visited tourism destinations in the Southern Rockies include:

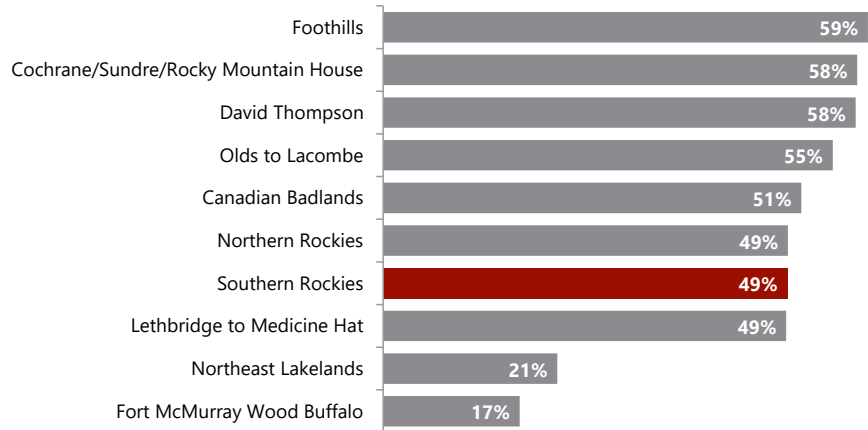
- Castle Provincial Park
- Castle Wildland Provincial Park
- Castle Mountain Resort
- Crowsnest Pass Golf Club

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:

- Albertans do not have high familiarity with the Southern Rockies zone
- More than three-quarters have a strongly positive impression of Southern Rockies
- Just over half of Albertans surveyed would likely travel to the Southern Rockies zone for a leisure trip in the next 12 months

Familiarity with Destination (Per cent familiar with each TDZ)

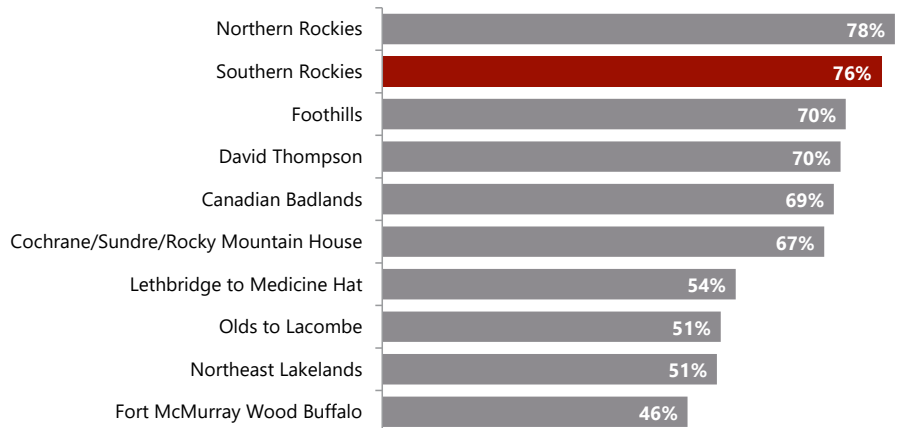


More than three-quarters of Albertans surveyed have a positive impression of the Southern Rockies.



Dark Sky Guides
Waterton Lakes National Park

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



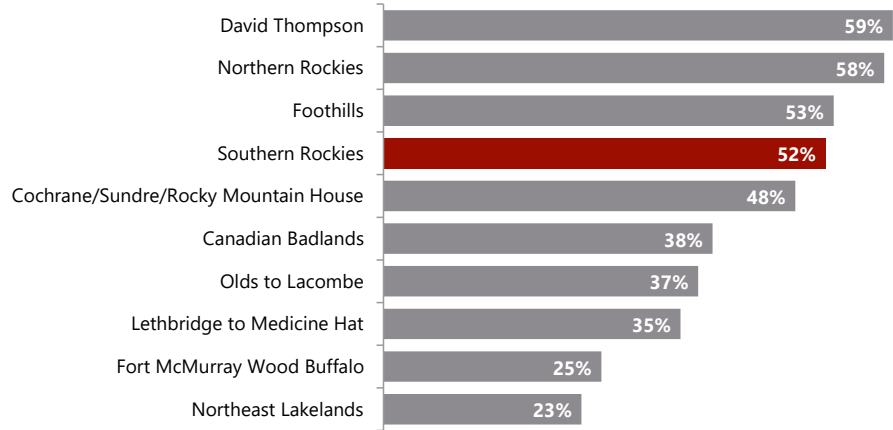
Likelihood to Visit Destination (Per cent likely to travel to each TDZ)

65%

LIKELY TO VISIT BETWEEN JUNE TO AUGUST

41%

LIKELY TO ONLY STAY BETWEEN THREE AND FOUR NIGHTS



Activities Albertans are most likely to enjoy in the Southern Rockies TDZ

Though home to Castle Mountain Resort, Alberta’s second-largest ski resort, the limitations to development and expansion have resulted in a lack of awareness of ski opportunities in the area amongst Albertans.



(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 recent market demand studies align well with resources in the Southern Rockies TDZ. Key trip anchors of U.S. visitors represented in the Southern Rockies include:

- Natural attractions (like mountains and waterfalls)
- Hiking or walking in nature
- Nature parks
- Camping
- Historical/archaeological/world heritage sites
- Viewing wildlife
- Dark sky viewing

Similarly, many international visitors have identified natural attractions, nature parks, historical/archaeological/world heritage sites, and hiking or walking in nature within their top five anchor activities.

(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.



The Pass Beer Co., Crowsnest Pass

For Curious Adventurers, travel is about getting a different perspective on the world. Because the Southern Rockies TDZ is such an under-discovered destination, Curious Adventurers are energized by exploring the many new places they have never been. Travel Alberta's resident sentiment survey indicates that residents in the Southern Rockies zone are proud of the place they call home and that they are very likely to promote their community to others, which bodes well for Curious Adventurers, who can count on organic interactions with locals to flavour and inform their activities.



Bear's Hump, Waterton Lakes National Park

This "sweet spot" of the Canadian Rockies also lends itself to attracting Hotspot Hunters to the region. For Hotspot Hunters, travel is about achievement and accomplishments. They are drawn to UNESCO-designated World Heritage Sites such as Waterton Lakes National Park and Head-Smashed-In-Buffalo Jump Interpretive Centre. Hotspot Hunters are also heavy social media users who are willing to travel to a one-of-a-kind resort (such as the high-end, storybook-inspired Charmed Family Resorts, already popular on social media) for an Instagram-able moment.

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

Visitors are already drawn to the world-renowned Waterton Lakes National Park in the Southern Rockies zone. This quiet corner of the province feels both tiny and grand, uncrowded, yet breathtakingly full. Luxurious backcountry accommodations like Thanksgiving Ranch and other glamping resorts offer both an escape and an intense connection to the natural world.

Inspiration from social media and streaming

Tik Tok and Instagram influencers pushing inspirational travel content is no longer niche, while streaming services like Netflix and HBO provide endless opportunities to create destination awareness — think *Game of Thrones* for Dubrovnik in the 2010s and *The White Lotus* for Sicily in 2022.

The producers of many films and TV series such as *Ghostbusters*, *The Last of Us*, *Let Him Go*, *Fargo* and *Brokeback Mountain* have chosen southwest Alberta as their movie-making destination. Film Friendly Southwest Alberta is an initiative to show off communities in the region that are open to film production. The zone is also social media friendly. Since launching a storybook-inspired resort in Crowsnest Pass, Charmed Family Resorts has gained widespread love across social media, with over 800K followers on TikTok alone. The resort attracts many international visitors who come all the way to the Southern Rockies zone to spend the night.

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 Southern Rockies zone offers a wide array of geographical landscapes, with its prairies and farms that soon turn into breathtaking mountain vistas. This “sweet spot” in the Canadian Rockies lends itself to some of the best adrenaline-fuelled activities for outdoor thrill seekers, from sky racing to bouldering to endurance racing.

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.

The Town of Pincher Creek is centrally located in the Southern Rockies and is well-positioned as the adventure and accommodation base camp for the zone. Travellers can adventure into Waterton, Crowsnest Pass and Castle Provincial Parks all within 30 minutes, extending their stay to explore wilderness and adrenaline-filled experiences.

(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, Southern Rockies residents are proud of the place they call home, and are very likely to urge friends, relatives and colleagues to visit their communities. In residents' minds, tourism creates both employment opportunities and an overall positive impact on their local economy. Since residents already believe that the current regional economic condition can be improved by tourism, it's not surprising that they would welcome more visitors to their communities.

Highlights: Resident Sentiment

QUESTIONS	TOTAL ALBERTA RESIDENTS	SOUTHERN ROCKIES RESIDENTS
Tourism is important to my community	70%	91%
I would welcome more visitors to my community	62%	78%
A strong tourism industry improves my quality of life	61%	64%
The attractions, events and things to do here are an important part of making my community a vibrant place	83%	96%
My community offers remarkable experiences to visitors	64%	91%
My community and area offers experiences I want to tell others about	65%	86%

(Source: Stone Olafson, 2023)

While positive indicators are reported in the resident sentiment survey, the total number of residents surveyed only represents a small sample of the population in the Southern Rockies TDZ. Residents and local governments are still learning about the benefits of tourism, and it will be important to continue to provide information on the value of tourism to them.

SWOT ANALYSIS

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

Strengths

- The zone's incredible scenery transition — from prairies to the Rocky Mountains
- Mountainous landscapes make the TDZ an attractive destination for regional visitors
- Well-developed trails provide numerous options for hikers & mountain bikers at all skill levels
- An abundance of trails allow for year-round motorized exploration — from quadding to snowmobiling to dirt biking
- Two UNESCO World Heritage Sites
- Two well-established ski hills
- Local entrepreneurs driving ongoing development of small tourism-related products and experiences (distilleries, museums, farm experiences, culinary establishments)
- Proximity to Calgary, B.C. and the U.S.
- Unique natural sites (Frank Slide, Waterton Lakes National Park, Head-Smashed-In Buffalo Jump)

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Weaknesses

- Lack of accommodations (both economy and upper-scale) to serve leisure visitors
- Long travel distances between tourism assets
- Regulatory policies that are not directly supportive of, and therefore do not encourage, farm stays and farm-related experiences
- Provincial policies that inhibit all-season activities and result in a lack of year-round tourism development (including mountain biking trails, accommodations, access) at Castle Mountain Resort
- No coordinated tourism wayfinding approach that the province, local authorities and businesses can all participate in
- Limited collaboration among municipalities and DMOs
- A lack of product and accommodation mix resulting in visitors driving through the zone to B.C.

Opportunities

- Sustainable product and experience development (guided and self-guided cycling and e-bike tours, mountain biking, snowmobiling) across all seasons
- Development of Waterton night sky experiences
- Ability to capture drive-through traffic and encourage more multi-day stays
- Development of a more robust accommodations sector (including hotels, RV rentals and sites, camping, B&Bs, farm stays) to better serve leisure visitors
- Appetite for increased collaboration and communication among the many communities and tourism stakeholders across the zone
- Potential connection between Crowsnest Pass and Castle Mountain, which would create better synergy for multi-day ski trips
- Improvements to key highways enabling greater ease of access — both to and throughout the zone
- All-season resort potential on two brownfield sites

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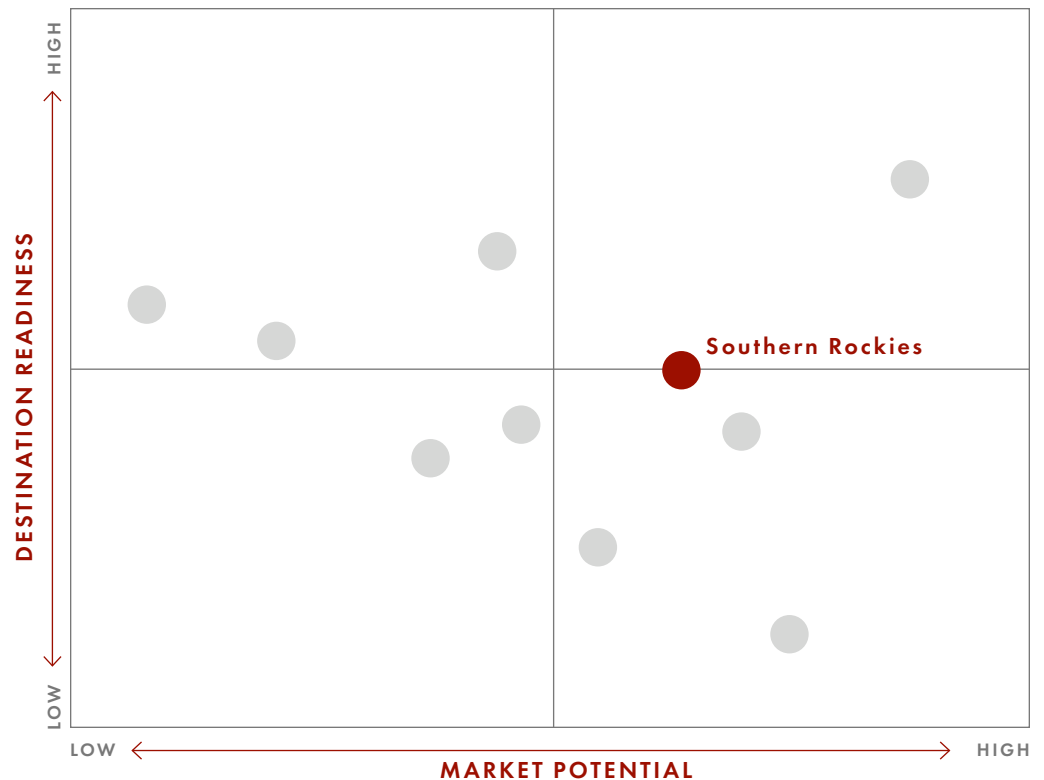
Threats

- Continued tourism development on B.C. border, including products and experiences of which Alberta should have a competitive advantage (outdoor/nature-based activities, farm stays, alpine activities, etc.)
- Policies that continue to limit tourism growth in key opportunity areas, such as all-season resorts and farm stays
- Lack of inter-regional co-operation, which reduces efficiency and effective use of resources in the area
- Value of tourism not fully recognized by all residents and local authorities

DESTINATION MATURITY AND READINESS

The Southern Rockies 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. To determine effective resource allocation moving into the design phase, Travel Alberta assessed market potential and community readiness in destinations within the Southern Rockies zone. This initial assessment will be further validated with input from communities across the TDZ. Key issues pertaining to this zone include:

- Capacity of DMO
- Quantity of market-ready and export-ready products
- High regulatory barriers to entry



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



05 VISION FOR THE FUTURE



Star Creek Falls, Crowsnest Pass

“By 2035 the Southern Rockies TDZ will leverage its natural and cultural assets to create a year-round destination offering quality visitor experiences through well-managed growth that benefits our unique communities.”

– Summarized from the Southern Rockies TDZ’s stakeholder engagement sessions

DESTINATION 2035

One of Alberta’s best-kept secrets, the Southern Rockies are home to stunning views, lesser-travelled hiking and camping trails, iconic mountain wonders, roaming wildlife, and historical sites. It’s the perfect place to create your own adventure, find fulfillment and connect with nature in wide open spaces — while at the same time meeting welcoming faces in the zone’s many historical communities and enjoying cuisine inspired by local ingredients.

The 2035 visitor experience in the Southern Rockies TDZ can be defined by two distinct experience categories: soft adventure and immersion in nature.

Currently, the zone offers a limited number of existing key products and experiences that draw visitors (Head-Smashed-In Buffalo Jump, Castle Mountain Resorts, Pass Powderkeg, Frank Slide Interpretative Centre, Waterton Lakes National Park). There are also smaller and more seasonal tourism products that complement these key experiences but are not stand-alone visitor draws.

In order to create synergies between these existing products and encourage an increase in overnight stays by 2035, three primary clusters of tourism activities have been identified for further

development: Crowsnest Pass, Pincher Creek (including the Municipal District of Pincher Creek) and Waterton.

- Crowsnest Pass: skiing, snowmobiling, hiking, golf, bouldering, and natural sites
- Pincher Creek: accommodations, tourism service hub, skiing, arts and culture
- Waterton: hiking, cross-country skiing, touring, wellness, natural sites

All of these areas either already have development planned or are likely to develop new tourism products identified in this report. In the case of Waterton, the cluster is already heavily invested in tourism; the issue is how to make the area a year-round destination.

As indicated above, as there is limited air service within the region. The zone will remain primarily accessible by car, with access concentrated on three main arteries — highways 2, 3, and 22 — as well as Highway 6 to Waterton. Product and experience development should be concentrated within nearby catchment areas.

STRATEGIC INITIATIVES

In support of tourism development within the Southern Rockies TDZ, multiple strategic initiatives were identified by local stakeholders and communities. This includes:

01. Creating an enabling environment, with support from local and provincial government, in which tourism entrepreneurs can invest in the tourism sector with confidence and ease
02. Increasing overall accommodation offering, with a focus on higher-end accommodations that meet the needs of leisure travellers
03. Increasing tourism product offering, with a focus on purchasable outdoor experiences in all seasons
04. Addressing challenges around DMO governance and sustainability
05. Identifying and support the development of packages and itineraries
06. Improving access — including transportation infrastructure and technological connectivity — to and within the zone

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 Southern Rockies 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.



Heritage Acres Farm, Pincher Creek

06 CONCLUSION AND NEXT STEPS

To achieve the Southern Rockies TDZ's full potential, communities, governments, business owners, and stakeholders must collaborate. While the zone has many assets capable of attracting Canadian and international visitors, these assets currently need more supporting products and amenities (particularly accommodations). Residents of the zone exhibit significant pride of place and enthusiasm for visitors; however, local governments and communities need to be better informed on the value tourism contributes to the zone's regional, social, economic, and environmental growth and sustainability. Multiple local jurisdictions and provincial departments will need to work collaboratively to foster a cooperative and enabling environment for tourism stakeholders and investors. In turn, these stakeholders and investors will need to develop new and enhanced products and services to facilitate soft adventure and immersion in nature. These efforts coupled with unlocking the potential of existing assets with significant potential, such as Castle Mountain Resort, will make the Southern Rockies a destination and not a place to pass through.

Successful implementation of the strategic initiatives outlined in this report will unlock the zone's existing potential and create new regional growth and prosperity opportunities. The findings in this report will be used to establish the foundations for a sustainable, attractive, and economically viable destination.



Lundbreck Falls, Crowsnest Pass



**CONTACT YOUR DESTINATION
DEVELOPMENT MANAGER FOR SUPPORT**

Yvonne Chau
Southern Rockies & Calgary
403-870-3307
yvonne.chau@travelalberta.com

