IV. Nome Area Tourism Market Potential

A. Introduction

The previous chapter reviewed the broad context of the tourism industry and the potential implications of current trends for Nome area tourism. In this chapter the focus is on Nome and the Seward Peninsula area.

Nome has long been known to travelers for its fascinating history, lively community, and spectacular, road accessible landscapes. Nome was prominent in the early days of Alaska tourism as a stopping point on an air tour from Fairbanks developed by Alaska tourism pioneer Chuck West. In recent years Nome has attracted a range of visitors, including general sightseers arriving on air packages, adventure travelers arriving on small cruise ships, birdwatchers, and a variety of other visitors that have discovered the destination for adventure travel, fishing, and hunting. Nome also hosts a number of visitors traveling for business purposes or to visit friends and relatives.

A successful tourism destination needs to have the visitor serving infrastructure such as good access, accommodations, attractions, and other amenities. Because Nome has been a tourism destination for many years it has developed a basic level of infrastructure to serve the visitor industry. It has a good airport with regular jet service from Anchorage. It has a cruise ship dock that can accommodate small adventure-type cruise vessels. The community offers a range of accommodations, interesting attractions, and a handful of tour operators to serve visitors.

In addition, the destination needs to have an active marketing program and the atmosphere that makes visitors feel welcome. Nome has an active marketing program, although limited by resources, managed by the Nome Convention and Visitors Bureau (NCVB). The NCVB also fosters a positive and hospitable visitor environment throughout the community. The Nome Chamber of Commerce, the City of Nome, and other entities work with the NCVB in support of improving and marketing Nome as a tourism destination.

All of these assets are important components of Nome’s tourism infrastructure and contribute to the quality of the visitor experience. Nome has the opportunity to build on the current tourism infrastructure to enhance the visitor experience and increase the number of visitors from the different visitor market segments (i.e. adventure cruise, birders, air tour package, etc.). In this section an analysis of Nome’s visitor trends by market segment is provided, followed by a detailed discussion of each of the primary visitor market segments identified.
Summary of Nome Tourism Trends

Table 4-1 summarizes current travel to Nome. The rest of this chapter gives more information about each of these market segments, and the derivations of these estimates. The table includes both Alaska residents and out-of-state travelers. Numbers shown for cruise, air package and bird tour visitors are relatively firm; other numbers are more speculative as there are no records kept for these segments. Key points include:

- The total number of visitors annually is approximately 10,000
- Length of stay (LOS) and consequently economic impact, is greater for small group and independent travelers than for cruise or air package visitors.
- Birding and cruise appear to be growing, other sectors are flat or declining

Table 4-1. Nome’s Current Tourism Value and Market Segment Trends

<table>
<thead>
<tr>
<th>Market Segment</th>
<th>Est. Volume</th>
<th>Avg. LOS (days)</th>
<th>Avg. Per Diem</th>
<th>Total Value</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Group/Independent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Birders</td>
<td>750</td>
<td>4</td>
<td>$200</td>
<td>$600,000</td>
<td>up</td>
</tr>
<tr>
<td>Other summer</td>
<td>2000</td>
<td>3</td>
<td>$200</td>
<td>$1,200,000</td>
<td>flat</td>
</tr>
<tr>
<td>Hunt</td>
<td>200</td>
<td>3</td>
<td>$200</td>
<td>$120,000</td>
<td>flat</td>
</tr>
<tr>
<td>Fish</td>
<td>200</td>
<td>3</td>
<td>$200</td>
<td>$120,000</td>
<td>down</td>
</tr>
<tr>
<td>Winter Adventure</td>
<td>300</td>
<td>3</td>
<td>$200</td>
<td>$180,000</td>
<td>up?</td>
</tr>
<tr>
<td>Adventure Cruise</td>
<td>900</td>
<td>1</td>
<td>$100</td>
<td>$90,000</td>
<td>up</td>
</tr>
<tr>
<td>AK Air Package</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Day</td>
<td>800</td>
<td>1</td>
<td>$50</td>
<td>$40,000</td>
<td>down</td>
</tr>
<tr>
<td>Overnight</td>
<td>1200</td>
<td>1</td>
<td>$200</td>
<td>$240,000</td>
<td>down</td>
</tr>
<tr>
<td>Special Events</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iditarod</td>
<td>1500</td>
<td>2</td>
<td>$200</td>
<td>$600,000</td>
<td>down</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Travel</td>
<td>1200</td>
<td>2</td>
<td>$200</td>
<td>$480,000</td>
<td>up</td>
</tr>
<tr>
<td>Visiting Friends, Relatives</td>
<td>750</td>
<td>4</td>
<td>$35*</td>
<td>$105,000</td>
<td>flat</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9,800</td>
<td></td>
<td></td>
<td>$3,775,000</td>
<td></td>
</tr>
</tbody>
</table>

Sources: Estimated Volume and Average Length of Stay (LOS) – derived from interviews with representatives of different tourism market sectors, and discussions with Nome area business people and community organizations familiar with tourism issues; Estimated Average Per Diem Spending – based on analysis of Alaska Visitor Statistics Program data. *ASVP data from the interior and northern region are an estimated $109 per day; Nome’s VFR spending was calculated as lower because of the more limited spending opportunities (compared with Fairbanks, for instance) and experience with Nome residents’ hospitality.
Overview of Nome Community Tourism Services and Facilities

For a small community, Nome has a relatively well developed set of tourism services and facilities. Highlights are presented below.

Accommodations
Nome offers a good range of accommodations, with three larger hotels, including one recently built facility, plus over a dozen smaller inns and B&B’s.

Shopping, Restaurants, Related Services
Nome has a bustling, pedestrian-oriented commercial district. Within this district are a number of shops catering to visitors, including stores featuring local Native Alaskan and Russian crafts, as well as those offering more general merchandise. Also in this area are at least 6 restaurants and a number of bars. Several additional stores and shops are located within walking distance (3-4 blocks) of this main shopping area; a handful of additional shops are on the outskirts of town. Nome visitors also have access to 12 churches, 2 libraries, a bank and credit union, convention center, indoor swimming pool, and hospital.

Developed Attractions and Events
Nome’s developed tourist attractions include a museum, a visitor information center, restored Old St. Joseph’s Church, and the historic town itself. Gold mining equipment, including large dredges, can be observed on the edge of town. Out of town summer attractions include exploring by car, scenery, hiking, beaches, wildlife viewing, fishing and hunting; winter opportunities include snow machining and cross-country skiing (more on attractions is presented later in this chapter). Potential, but currently little used attractions include the Bering Land Bridge National Preserve and Pilgrim Hot Springs.

Cultural Events
Nome is famous as the finish of the Iditarod Trail Sled Dog Race; the town is also the finish for the Gold Rush Classic Iron Dog Snowmachine Race. The town hosts a number of other events including Bering Sea Ice Gold Classic/Golf Tournament (March); Nome to Golovin Snowmachine...
Race (March); Midnight Sun Festival (June); Fourth of July/Anvil Mtn. Run; Nome River Raft Race (June); Nome Theater Guild; Iditawim; Miners and Mushers Ball (March); Polar Bear Swim (May); Midnight Sun Softball Tournament (June); Bathtub Race (September); Fireman’s Carnival (December) and high school sporting events.

**Air Service**
Nome has daily jet flights from Anchorage plus approximately a half dozen smaller air taxi and air charter operators.

**Summary of Nome Area Tourism Strengths**
- Gold mining history
- Diverse, beautiful tundra landscape and “charismatic” wildlife like musk-ox and reindeer
- Widely known name (after Anchorage and Fairbanks, Nome is perhaps Alaska’s best known town)
- Daily jet service; road system
- Winter tourism and the Iditarod
- Possibility of ties to Bering Land Bridge National Preserve
- Tradition of “interesting personalities”

**Summary of Tourism Challenges**
- Location off the main flow of Alaska travelers
- Small and declining state tourism marketing program
- No regional marketing program, modest local marketing program
- Lack of diversity in developed attractions and tours – gold mining history, the Iditarod and birding are well developed; other potential activities, especially family-oriented activities are less so.

**B. Tourism sectors**
The remainder of this chapter reviews current uses and future trends in each of the Nome area’s primary tourism sub-markets:

1 - Adventure cruise;
2 - Air package tours (e.g., Alaska Airlines Vacations Nome-Kotzebue package);
3 - Birders;
4 - Small group and independent visitors (besides birders).
1 - Adventure cruise

Nome has been a cruise port for small, adventure or expedition-class vessels for a number of years. The vessels operate typically during June, July and August. Two of the vessels that have recently visited Nome have top ice-class ratings, while the other two do not. Although an ice-class rating is not necessary to visit Nome during the summer months, it is useful for those vessels that want to explore the polar pack ice, an important attraction in the area. In addition to the polar ice pack, other intrinsic attractions that bring ships to the region include the wildlife viewing opportunities, the cultural experiences and the proximity to the Russian Far East.

Key executives at the four cruise lines that have operated in Nome in recent years were interviewed as part of this study. In addition, interviews were conducted with the agency that handles all ships, the tour operator providing the ground tour for all ships visiting Nome and tour operators that have chartered ships to visit Nome.

Table 4-2. 2002 Cruise Ship Calls and Passenger Capacity

<table>
<thead>
<tr>
<th>Cruise Line</th>
<th>Vessel Name</th>
<th>Passenger Capacity</th>
<th>Number of Calls</th>
<th>Total Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clipper Cruise Line</td>
<td>Clipper Odyssey</td>
<td>128</td>
<td>1</td>
<td>128</td>
</tr>
<tr>
<td>Cruise West</td>
<td>Spirit of Oceanus</td>
<td>114</td>
<td>1</td>
<td>114</td>
</tr>
<tr>
<td>Hapag Lloyd</td>
<td>Hanseatic</td>
<td>184</td>
<td>1</td>
<td>184</td>
</tr>
<tr>
<td>Society Expeditions</td>
<td>World Discoverer</td>
<td>160</td>
<td>3</td>
<td>480</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>586</td>
<td>6</td>
<td>906</td>
</tr>
</tbody>
</table>

Table 4-3. 2003 Cruise Ship Specifications

<table>
<thead>
<tr>
<th>Cruise Line</th>
<th>Vessel Name</th>
<th>Passenger Capacity</th>
<th>Length</th>
<th>Draft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clipper Cruise Line</td>
<td>Clipper Odyssey</td>
<td>128</td>
<td>340 feet</td>
<td>14 feet</td>
</tr>
<tr>
<td>Cruise West</td>
<td>Spirit of Oceanus</td>
<td>114</td>
<td>295 feet</td>
<td>13 feet</td>
</tr>
<tr>
<td>Hapag Lloyd</td>
<td>Bremen</td>
<td>164</td>
<td>342 feet</td>
<td>15 feet</td>
</tr>
<tr>
<td>Society Expeditions</td>
<td>World Discoverer</td>
<td>160</td>
<td>354 feet</td>
<td>15 feet</td>
</tr>
</tbody>
</table>

Current Visitation

Since 1990, Nome has experienced a handful of cruise ship calls annually from the adventure/expedition cruise vessels during the summer months of June, July, and August. During recent years four cruise lines have visited Nome; Clipper Cruise Line, Cruise West, Hapag Lloyd and Society Expeditions. Clipper has visited Nome for several years, usually with one or two port calls.
often charters their vessel, the *Clipper Odyssey*, to affinity groups, such as alumni associations or museums, who have an interest in the Arctic and in Far East Russia. 

Cruise West is a recent entry into Nome, beginning Alaska and Russia Far East cruises in 2002 with the *Spirit of Oceanus*. Hapag Lloyd, a German cruise operator, has brought an expedition vessel to Nome for several years, usually with one port call. In 2002 the Hanseatic visited Nome. Society Expeditions first visited Nome in 1995 with one port call. Now Society brings the *World Discoverer* to Nome three times during the season.

Typically, Nome is used as a port of embarkation and disembarkation. Passengers fly into Anchorage, overnight, and are flown the following day to Nome to board the vessel. Or, passengers disembark the ship in Nome, take a tour of the area and then board their flight for Anchorage. Three of the four cruise lines that visited Nome in 2002 exchanged all passengers in Nome. One of the cruise lines exchanged a few passengers, while the rest of the passengers stayed on board for the next leg of the cruise.

All cruise ship passengers are taken on a tour of the Nome area either before boarding their ship or just after disembarking. The tour generally includes an overview of the city of Nome, gold rush history including gold panning, a visit to a sled dog owner and past Iditarod competitor, and a visit to the tundra. The tour uses a school bus to transport passengers and lasts from two to four hours depending on the ship. Passengers generally have a little time in town to eat lunch and do some shopping prior to boarding the ship or their flight to Anchorage.

Passengers that participate in adventure and exploration cruises are well-traveled, well-educated and well read. They tend to be older (50 to 55+) with high income levels. (Published daily rates for these cruises are generally higher than regular cruises, ranging from $400 to $800 per person). Passengers are actively interested in wildlife, bird-watching, natural history, Native culture, the Arctic and the Russian Far East. All of the cruise itineraries include visits to ports in the Russian Far East, as well as a visit to the polar ice pack.

Passengers originate from a variety of places depending on the location of the cruise line and the line’s marketing program. Clipper Cruise Line and Cruise West attract passengers primarily from the U.S., with a few passengers from other parts of the world, primarily Europe. Hapag Lloyd is based in Germany and attracts Germans, along with a few other

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### Table 4-4. 2004 Cruise Ship Calls and Passenger Capacity

<table>
<thead>
<tr>
<th>Cruise Line</th>
<th>Vessel Name</th>
<th>Passenger Capacity</th>
<th>Number of Calls</th>
<th>Total Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clipper Cruise Line</td>
<td><em>Clipper Odyssey</em></td>
<td>128</td>
<td>1</td>
<td>128</td>
</tr>
<tr>
<td>Cruise West</td>
<td><em>Spirit of Oceanus</em></td>
<td>114</td>
<td>2</td>
<td>228</td>
</tr>
<tr>
<td>Hapag Lloyd</td>
<td><em>Bremen</em></td>
<td>164</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Society Expeditions</td>
<td><em>World Discoverer</em></td>
<td>160</td>
<td>4</td>
<td>650</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td>7</td>
<td>1006 +</td>
</tr>
</tbody>
</table>
Europeans and a few Americans. Society Expeditions attracts passengers from both the U.S. and Europe.

Spending in Nome by passengers has not been studied. However, all cruise lines visiting Nome report that their passengers participate in the ground tour, (which is part of the cruise package), and have free time to eat lunch and explore the town on their own. Passengers spend money on lunch (if it is not included in their package) and shopping. Native arts and crafts are sought after items by this clientele. One cruise line estimated that their passengers spend, on average, between $100 and $150 per person in Nome during their short stay in the town.

The adventure/expedition segment of the cruise market is small but growing. Nome has become a regularly used port for this handful of cruise operators for the past several years. Interest in Nome appears to be steady, with some potential for future growth. For 2003 Cruise West will increase its port calls to two, Society Expeditions will call three times, and Hapag Lloyd will likely call once. Clipper Cruise Line is skipping Nome in 2003 on its western Alaska itinerary in favor of the Aleutian Islands.

**Future Visitation**

The cruise sector represents a small, but potentially lucrative sector of the tourism industry for Nome. The adventure/expedition cruise segment of the cruise industry has been growing worldwide, and several companies now specialize in this market. In 2004, three of the four cruise lines currently visiting Nome have committed to visit. With these commitments, the cruise industry will increase ship calls from five in 2003 to seven and passenger capacity from 708 to potentially 1,006 or more between 2003 and 2004.

Society Expeditions is planning three port calls again in 2005, while the other companies have not yet planned their 2005 schedule. All four cruise companies reported that the western Alaska and Russian Far East itineraries have had strong sales in the past. If this trend continues and Nome continues to develop its relationship with the cruise lines, then the number of port calls could continue to grow slowly over time.

Adventure and exploration cruises appeal to a very small segment of the overall travel market. In addition, the supply of adventure and exploration type vessels is limited. However, this segment will continue to grow worldwide and it is anticipated that interest in the region that includes Nome, the Arctic, and the Russian Far East will continue to grow. Table 4-5 presents three scenarios of Nome port calls over a 20 year period. The
low case is based on the assumption that the number of port calls in Nome returns to the 2003 level throughout the forecast period, with no growth seen. In this scenario, Nome home ports a handful of ships one or two times per season. No marketing to the cruise lines occurs and Nome captures home porting for those companies who have historically used Nome in the past. The number of passengers forecast is based on an average ship capacity of 140 passengers.

The base case assumes that Nome will grow from the projected 2004 level of seven port calls to 19 annual port calls, or more than double, in 2024. In this scenario, it is assumed that Nome will market itself as a cruise ship port – both as a port of call and a home port – for adventure and expedition-class vessels. Interest increases in Nome among the cruise lines with port calls increasing at a steady rate. Cruise passenger projections are based on a ship capacity of 140 passengers.

The high case assumes a faster growth rate beginning with the projected 2004 level of nine port calls and grows to 30 annual port calls over 20 years. In this scenario it is assumed that Nome aggressively markets itself as a home port and port of call and regional recognition as a cruising area grows, similar to the recognition now experienced by Antarctica. Cruise passenger projections are based on a ship capacity of 140 passengers.

### Opportunities/Barriers

#### Strengths and Opportunities
Nome is considered a unique destination by the cruise operators interviewed. Its strengths include:

- **Location** – Nome is located in Western Alaska in proximity to areas that small, adventure/expedition cruise vessels desire to visit, such as the polar ice pack, Native communities, wildlife viewing areas and the Russian Far East.

- **Port of Entry** – Nome is a port of entry for U.S. Immigration and it is reported that it soon will be a port of entry for U.S. Customs. This will save the cruise lines money, as they will not have to fly U.S. Customs officials to Nome from Anchorage (the current practice) to clear a ship.

- **Access** – Nome has good air access from Anchorage and is rarely affected by the weather, like potential competitor ports in the Aleutians, such as Cold Bay.

- **Attractions** – Nome and the surrounding area have a range of attractions that are of interest to the adventure/expedition cruise clientele, including sites of historical significance, natural history and indigenous cultures.

#### Table 4-5. Projected Port Calls – Nome 2004-2024

<table>
<thead>
<tr>
<th>Year</th>
<th>Low Case</th>
<th>Base Case</th>
<th>High Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>5</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>2009</td>
<td>5</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>2014</td>
<td>5</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td>2019</td>
<td>5</td>
<td>16</td>
<td>25</td>
</tr>
<tr>
<td>2024</td>
<td>5</td>
<td>19</td>
<td>30</td>
</tr>
</tbody>
</table>

#### Table 4-6. Projected Cruise Passengers – Nome 2004-2024

<table>
<thead>
<tr>
<th>Year</th>
<th>Low Case</th>
<th>Base Case</th>
<th>High Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>700</td>
<td>980</td>
<td>1260</td>
</tr>
<tr>
<td>2009</td>
<td>700</td>
<td>1400</td>
<td>2100</td>
</tr>
<tr>
<td>2014</td>
<td>700</td>
<td>1820</td>
<td>2800</td>
</tr>
<tr>
<td>2019</td>
<td>700</td>
<td>2240</td>
<td>3500</td>
</tr>
<tr>
<td>2024</td>
<td>700</td>
<td>2660</td>
<td>4200</td>
</tr>
</tbody>
</table>
• **Port infrastructure** – The port infrastructure in Nome is currently adequate to accommodate small cruise vessels, as long as the weather cooperates.

Nome has an opportunity to play on these strengths if it wants to further develop the small cruise ship sector. The port is well-positioned geographically for western Alaska and Russian Far East itineraries, it is a port of entry, has good air access, interesting attractions and basic infrastructure to serve the needs of the small ship cruise industry.

**Issues and Barriers**

A number of issues were raised by the cruise lines, the cruise line agents and the tour operator serving the cruise lines during the interviews. These issues represent potential barriers to cruise industry development for Nome and will need to be addressed if Nome pursues further development as a cruise ship port. These issues and potential barriers to development of the industry include:

• **Port Infrastructure** – As detailed in chapter two, the dock in Nome is considered adequate for small cruise vessels if the wind is not blowing from the south or the east. Cruise company staff and passengers have an extra level of logistical headaches if they have to head to Teller and off-load passengers, luggage, and supplies by Zodiac or tender and then ride a bus approximately 70 miles back to Nome to connect with air flights. The U.S. Army Corps of Engineers breakwater and possible dredging this summer will resolve the other big concern, that the water depth next to the dock is deep on one end and shallow on the other, allowing only one ship to tie up at a time. In 2003, two ships will be in Nome on the same day creating a scheduling conflict. The conflict has been resolved by scheduling one ship in early and the other in later.

Other port infrastructure needs as mentioned, are improved water delivery and basic tourist amenities, such as pay phones, public restrooms and a better surfaced visitor staging area.

• **Air Access** – As described in chapter two, none of the cruise lines are able to secure block seats on regularly scheduled flights between Nome and Anchorage, and therefore, must charter aircraft to and from Anchorage to move passengers. The cost of the air “transfer” between Nome and Anchorage is usually included as part of the cruise package and built into the per diem rates. As a result of this situation, cruise passengers do not have the flexibility to arrive earlier or stay later in Nome, unless they are willing to forego the charter flight and pay for an air ticket independently.

• **Competition** – Although the market is small for adventure/expedition cruising, there are serious competitors for the port business. Nome competes with Russian ports, including Petropavlovsk as a home port and both Petropavlovsk and Provedeniya as ports of call. Petropavlovsk has captured home.
port business from Clipper Cruise Lines. Passengers are flown via charter aircraft between Anchorage, Alaska and Petropavlovsk. In order to be competitive, the City of Nome and NCVB staff need to actively work with cruise staff to meet logistical concerns, and make it clear that cruises are welcome in Nome by being helpful and responsive to their needs.

2 - Air Package

The air package market segment is defined as the group of visitors to Nome who have purchased a one day air tour to Nome or a one, two or three-day air tour to Nome and Kotzebue on Alaska Airlines. This tour product is packaged by Alaska Airlines and sold through the Alaska Airlines Vacations division of the airline. The majority of the visitors on this tour are generated through the major cruise companies serving Alaska. The remaining visitors are generated through other domestic or international tour companies or through independent sales directly to the airline.

The tour offers several different options for visiting Nome:

- Nome Day Tour
- Nome Overnight Tour
- Kotzebue/Nome Tour with overnight in Kotzebue and day visit to Nome.
- Kotzebue/Nome Tour with overnight in both towns.

In all cases a tour of Nome is provided and includes a tour of the town, a visit to a gold mine, gold panning and a visit to a dog musher’s camp. The tour operates from mid-May until mid-September. The elements that attract visitors on this tour include the opportunity to combine a visit across the Arctic Circle with one to Nome and the opportunity to experience Nome’s historical aspects, such as its gold rush history and cultural aspects.

Current Visitation

The total number of visitors that come to Nome using this air package is less than 2,000. While exact figures are not readily available, the study team estimates that approximately 800 or less visitors experience Nome as a day visit, while another approximately 1,200 experience Nome on an overnight visit. The number of visitors on this tour has been dropping steadily in recent years, approximately 15% to 20% annually. Anecdotal reports from Nome tour operators and the airline suggest that the numbers for this tour exceeded 10,000 in the 1970’s and 1980’s.

Visitors who take this tour tend to be older, retired, and very curious, with interests ranging from history to culture to wildlife viewing, particularly birding. The majority (60%) of these visitors are generated through sales of the tour by the large cruise lines visiting Alaska. Of the remaining 40% of visitors, half
are booked through other tour operators and the other half are independent visitors who book their travel directly with the airline.

The decline in the number of visitors taking this tour can be attributed to a number of factors. The majority of the current tour participants are coming from cruise line bookings. With the declining cost of cruises to Alaska, the demographic of cruise passengers is changing. Cruises are more affordable than in years past and are attracting a large clientele that does not spend additional money on optional air and land tours. In addition, most cruise passengers only have a week to spend on their Alaska vacation. Since the cruise is seven days it is impossible to add-on optional air and land tours.

Other tour operators selling this tour are an important source of visitors, as are independent travelers. Marketing to these groups has been limited. The number of independent visitors to Alaska has been declining in recent years, further reducing the potential pool of Alaska visitors that might be interested in this tour.

To add to the challenge, Nome now competes more heavily for the visitor’s time and attention with other opportunities in Alaska. A number of other visitor industry products have been developed in Alaska in the past 20 years that showcase gold rush history, Native culture and wildlife viewing opportunities. Visitors to Alaska can now experience these things without flying to the Arctic or sub-Arctic. While Nome has a unique history, a range of interesting wildlife, particularly birds and its own Native cultures, the average visitor to Alaska may not understand the differences between Nome and other areas that offer these features. Unless the independent visitor is made aware of the options available to him or her and what makes Nome unique, it is very difficult to attract this group in increasing numbers.

**Future Visitation**

The future visitation to Nome from this market is highly dependent on how this tour is marketed. It is likely that a significant number of tour participants will continue to be generated through the cruise lines, but other sources of visitors will need to be targeted to stem the decline in numbers experienced in recent years.

There are likely more opportunities to target groups of tour operators, both domestically and internationally, to encourage sales to existing operators or to introduce new operators to the tour if they are not familiar with it. Independent visitors who book directly with airline can also be reached.

<table>
<thead>
<tr>
<th>Year</th>
<th>Low Case</th>
<th>Base Case</th>
<th>High Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>800</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td>2009</td>
<td>355</td>
<td>1021</td>
<td>1175</td>
</tr>
<tr>
<td>2014</td>
<td>300</td>
<td>1303</td>
<td>1727</td>
</tr>
<tr>
<td>2019</td>
<td>300</td>
<td>1663</td>
<td>2538</td>
</tr>
<tr>
<td>2024</td>
<td>300</td>
<td>2123</td>
<td>3729</td>
</tr>
</tbody>
</table>

Table 4-8. Projected Airline Package Overnight Visitors – Nome, 2004-2024 Low, Base and High Cases

<table>
<thead>
<tr>
<th>Year</th>
<th>Low Case</th>
<th>Base Case</th>
<th>High Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1200</td>
<td>1200</td>
<td>1200</td>
</tr>
<tr>
<td>2009</td>
<td>532</td>
<td>1532</td>
<td>1763</td>
</tr>
<tr>
<td>2014</td>
<td>450</td>
<td>1955</td>
<td>2591</td>
</tr>
<tr>
<td>2019</td>
<td>450</td>
<td>2495</td>
<td>3807</td>
</tr>
<tr>
<td>2024</td>
<td>450</td>
<td>3184</td>
<td>5593</td>
</tr>
</tbody>
</table>
through marketing efforts. Both the airline and Nome itself can participate in these marketing efforts.

The projections of airline package visitors are presented in two groups: day visitors and overnight visitors. The assumptions for the projections are as follows:

For the low case it was assumed that both the day and overnight tour would continue to see declines of 15% annually through 2010. At that point the tour numbers stabilize at 300 for day and 450 for overnight visitors through the period of the projections. This assumes that there is no marketing for the tour beyond what is currently happening today, that the general cruise visitors become increasingly less likely to take the tour because of demographic and time availability reasons, and that independent visitors to Alaska continue to decline.

The base case assumes that through concentrated and targeted marketing efforts, the tour declines of recent years are reversed and both day and overnight tour participation increases at 5% annually. This results in just over 2,000 day visitors and 3,000 overnight visitors at the end of the projection period.

The high case assumes strong marketing efforts by both the airline and Nome itself to stimulate demand for this tour. These efforts result in annual visitor growth of 8% for both day and overnight visitors.

Opportunities/Barriers

Strengths and Opportunities
Nome is considered a good tour product by Alaska Airlines. The airline reports that there is a high level of satisfaction with the tour. Among the tour’s strengths are:

- **Tour History** – One of the strongest assets Nome has is its history with this tour. The tour to Nome has been offered for nearly 30 years and has been a proven success.
- **Access** – Nome has good air access from Anchorage and is rarely affected by the weather. The access and the option to combine a visit to Nome with Kotzebue are considered a plus.
- **Attractions** – Nome and the surrounding area have a range of attractions that are of interest to this market, including the museum, the gold rush history, the gold mining areas, the dog mushing community, the wildlife, and the Native culture.
- **Tourism Infrastructure** – Nome has a solid tourism infrastructure that can serve this market, including accommodations, restaurants, gift shops, and tour operators.
- **Partnering Opportunities** – With only one air carrier operating in Nome and packaging this tour, Nome has the opportunity to work closely with this carrier to target the various markets that would be interested in this tour.

With the history of success of this tour in the past Nome has an opportunity to work with the airline to rebuild the number of tour participants each year. Nome has all the components and the capacity to accommodate more visitors on this tour.

Issues and Barriers
While it appears that Nome has the potential to expand current visitor numbers and fill unused capacity on this tour, it will need to address a number of issues in order to realize this potential. Among these are:
• **Perceived High Tour Cost** – In 2003, the cost of the one-day tour to Nome is $369, the two-day tour $399, and the three day, two-night tour that includes an overnight in Nome and Kotzebue is $550. The cost of this tour means that only a certain type of visitor will be attracted to the opportunity. Addressing the value received for the money is an important component in reducing the perception that the cost of the tour is high.

• **Competitive Threat** – Nome competes for visitors with other destinations in Alaska and adventure-oriented destinations around the world. Understanding Nome’s competitive position is a key element in addressing the marketing challenge.

• **Limited Marketing Resources**
  – Marketing Nome to potential visitors involves time and money. Making the most of the marketing resources that are available and developing additional resources is a major challenge for Nome.

3 - Birders

This category includes two types of bird-watching travelers: small group package tours, who typically visit in groups of 5-15, and “do it yourself”, independent travelers. The specific interests of birdwatchers are diverse, but generally fall into two categories:

• “super birders” – serious master birders who aggressively seek the chance to add to their life lists (this makes up most of those who currently visit Nome)

• somewhat more casual, relaxed birders, who enjoy seeing a range of birds, including those that are common, and who often find time to enjoy other aspects of the places they visit

The road system out of Nome is the backbone of Nome’s attraction to birders, both for independent and package tour travelers. Independent travelers can rent a car and explore at their own pace. Package travelers explore the roads in tour company vans. Groups interviewed generally commented favorably on the availability and quality of accommodations.

**Current Visitation**

**National Trends**

Bird watching, once an activity of a small group of relatively eccentric souls, has become vastly popular among all sectors of American society. In 2001, 46,000,000 people actively observed birds around their homes, and 18,000,000 took bird watching trips (data from 2001, U.S. Fish and Wildlife Service (USFWS), National Survey of Fishing, Hunting and Wildlife Associated Recreation).

While the overall trend shows tremendous growth in bird watching over the last 50 years, in the last decade interest has leveled or declined. The USFWS survey shows 2001 participation levels up from 1996, but down from the 1991 peak. The same statistics, for the U.S. pacific region for “non-residential” bird watching (i.e., travel to look at birds) are shown below:
1991 - 5,035,000 birders
1996 - 3,648,000 birders
2001 - 3,793,000 birders

An array of national research shows 24-25% of Americans are actively interested in birding. The Alaska Visitor Statistics Program and other Alaska market research, such as *Images of Alaska*, reach the same conclusion: 24-25% of those coming to Alaska are interested in birding. *Images of Alaska*, a survey of prospective Alaska travelers, asked, on a scale of 1-7, how important is birding? Thirteen percent said 6 or 7; 6% said 7. Applying the 13% figure to the total number of out-of-state Alaska visitors, equates to nearly 200,000 people for whom birding is very important.

**Nome Trends**

Nome has become an increasingly well known destination for birders over the last 15 years. Nome area birding has been featured in national magazines, including an extensive article in “Birding” – the magazine of the American Birding Association (Feb 2000).

The total numbers of birders coming to Nome is not certain. The Nome Convention and Visitors Bureau tallied 228 birders coming on package trips in summer 2002. No similar data exists for independent travelers. A rough estimate, reflecting views of several different parties familiar with the area, suggests that total average annual birders is 500-1000 people. This is a broad range, but sets a helpful upper limit on likely total numbers.

Overall, birding is a modest, but important component of Nome’s visitor market. Birders come early in the season and fill hotel rooms and spend money during a time that would otherwise see very light visitation.

**Future Visitation**

Considerations in the future growth of bird watching trips to Nome include:

- Recent Alaska tourism trends show flat or declining trends in small group and independent travel.
- The clientele of Alaska’s only growing market sector – the large cruise ship market – are increasingly a lower spending group, without time or money to take excursions to Nome. (See discussion above in Air Tour section.)
- The companies that currently bring birders to Nome predict at most modest increases in the number of birders. While many of these operators believe Nome is a good product, they are not seeing any significant increases in the number of clients, or a demand for new trips.

Virtually every bird tour operator interviewed emphasized the value of the Nome road system, and the benefits of opening the roads earlier than is currently practiced. Some of their specific views are presented below:

**Wings/Will Russell:**

To attract bird-watchers into the future, each road needs to be passable for at least 20-30 miles. On the Council Road, if birders can’t be sure to get to at least Safety Sound, many won’t go at all. On the Kougarok (Taylor) Road, if birders are assured of being able to get to Coffee Dome (about 70 miles) to see the Bristle-Thighed Curlews, Will Russell believes 10’s or even a 100 more visitors would come early each year to see them. The promise of visiting this area (Coffee Dome) would be a valuable promotional point, as this is the only road accessible place in North America where this bird can be seen.
Outside tour companies need to be responsible for paying for road maintenance they are asking for. The situation now leaves locals paying all taxes and the state paying for maintenance of roads – with the outside bird-watching companies paying no taxes, no vehicle insurance, no shipping and making lots of money. If a local operator makes $100,000 – she’ll have to pay $4,000 in taxes – but an outside operator takes the whole $100,000. If the roads opened even a week later – maybe June 10 – snow and run-off would melt itself. The only reason there is such a push for snow removal before this time is for the bird-watchers. LZ used to work as a surveyor and knows that road maintenance is very expensive. The bird-watching companies are pushing for turn-outs, signs, toilets, early maintenance, etc. - but they won’t be bearing the costs of these things. “If they’re going to play, they’ll have to pay.” He suggests concentrating on Council and Teller Road maintenance (because these roads provide most local benefits.)

Forest Davis – Hi Lonesome Tours

The roads are extremely important to the tour. Kougarok Road to mile 74 is the top priority, followed by the Teller Road then the Council Road, though all are important. If roads were not passable, hardly anyone would go to Nome for bird-watching. Prime breeding season is between June 1 – June 18. In the last few years, the number of clients has decreased some on the June 1-10 trips because the roads weren’t open yet. Several factors drive a judgment about the net benefits of earlier road openings:

- Timing of road openings vs. arrival of birds – Birds typically arrive just as the snow is melting, which means in most years, snow-closed roads chop off 1-2 weeks of the best potential birding season.

- ‘Elasticity of demand’ – Would earlier openings bring more birders, or just shift visits to a slightly different time? Evidence from the interviews suggests that earlier openings would, over time, make the area significantly more attractive. A trip to Nome is costly, and prospective travelers would be more willing to visit if they didn’t have to worry about key roads not being open. On the other hand, with roads as they are maintained today, the birding companies have a good product to offer, and still do not always fill trips even when the roads are quite likely to be open.

- Other beneficiaries of early road openings: how much benefit would be received by residents of Teller, Council or Nome?

- Opportunity cost of using maintenance money on road clearing vs. normal maintenance—an argument could be made that limited road maintenance dollars should go to keeping the roads in drivable shape for the full summer.

Table 4-9 presents a summary of projected growth in birding; the table that follows explains the assumptions behind these projections. In the high case, it is presumed the roads open earlier and are better maintained. This action increases reliability which is a key factor in traveler decisions.

**Strengths and Opportunities**

- **Great Product** – Nome and the Seward Peninsula offer diverse, high quality bird watching opportunities. The area is generally not a place to see large numbers of species, nor vast numbers of a single species. For example, a determined birder
can see 100 species in the Anchorage in 2-3 days, but that isn’t possible in the Nome area. What Nome does offer is great appeal for birders whose interest is specialized. The area offers:

- Rare, Western Alaska specialties (e.g. Bristle Thighed Curlew)
- Asian accidentals (species not normally found in the US)
- A representative sample of sought after, northern-Alaska bird species

Stan Senner of Alaska Audubon offered a summary opinion of Nome’s quality as a destination, which matched the views of other parties interviewed: “If you went around the country, talked to serious birders, and asked what are the best birding places in Alaska: you’d likely hear the top 3 are: Nome, Pribiloofs, Gambell/St. Lawrence Island. Of these three, if you only can visit one destination, and if your goal is a

Assumptions behind Table 4-9 Projections:

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Low - 1%</strong></td>
<td>Continuation of existing trends</td>
</tr>
</tbody>
</table>
| **Base - 3% annual growth** | Changes outside of Nome’s control  
Improved national & global economy  
Stabilization or improvement of war/terror concerns  
Changes within Nome’s control  
Moderate level actions to improve marketing, attractions |
| **High - 8% annual growth** | Changes outside of Nome’s control  
Improved national & global economy  
Stabilization or improvement of war/terror concerns  
Significant increase in Alaska statewide marketing program, with focus on locations outside existing mainstream destinations  
Changes within Nome’s control  
Aggressive, sustained action to market Nome as a bird watching destination  
Improvements in Nome area attractions  
Better early season road maintenance |
reasonably affordable trip, the case can be made that Nome is Alaska’s best birding destination”.

• **Accessibility** – the combination of daily jet service and the region’s road system makes this area more accessible at a lower cost than competing Alaska bird destinations.

• **Setting** - nearly all of the groups interviewed emphasized that the area’s beautiful natural setting is an important part of it’s attraction to birders.

### Issues and Barriers

While Nome has the potential to expand current bird watcher numbers, it will need to address a number of issues in order to realize this potential. Among these are:

• **Road system** – as detailed in chapter two, and mentioned above, maintaining the road system is key to sustaining the existing birding market, and improving the roads could expand this sector. Possible improvements include opening the roads earlier in the spring (at least to Safety Sound, and on a scheduled basis out to Coffee Dome on the Kougarok road—every even year. Although upgrading particularly worn road segments would also help, the unpredictably of the road openings is a key threat to expanded birding (“You mean, I travelled half-way around the world, and now I can’t get out several miles to see my life-time bird?!?).

• **Birding-related, tourism infrastructure** - Currently, Nome offers relatively limited information to assist travelers interested in birds, e.g. road side interpretive sites, signage, interpretive centers, and bird-related events.

• **Better marketing** – Nome has a broad and growing reputation as a birding destination, but more could be done. Nome should consider strategies used by competing birding destinations in Alaska and the lower 48, such as special events, publication of birding maps and guidebooks, and partnerships with groups like Audubon to create birding trails (like the Great Texas Coastal Birding Trail). Nome’s previous NCVB director, Lana Creer-Harris was a birder whose personal interest in birding and publications regarding birding went a long way in targeting and attracting visitors.

• **Broader Markets** - Most of the birders currently visiting Nome are in the “super birder” category. For significant growth, Nome needs to do more to attract the “casual birder”/wildlife observer market. Actions to attract this larger market segment include:
  - improved bird-related interpretive information and facilities (see above)
  - expand non-bird attractions, likely to be of interest to casual birders, such as Native cultural tourism, improved links to the National Park, and “soft adventure” like bike riding, river floats, and trail hiking.

### 4 - Small Group and Independent Summer Visitors

(Other than birders, anglers, hunters...)

This category includes independent travelers and small group package tours who visit the Nome area to learn about history, for adventure, or for general sightseeing. Information on other
categories - birding, fishing and hunting, winter tourism, visiting friends and relatives, or business travel - is covered in separate sections. The specific types of small group and independent travelers covered in this section are those who come for the reasons listed below:

- History and Culture, including gold mining history, Native cultures
- General sightseeing, road touring
- Adventure – soft adventure, such as short walks, short guided river rafting, or active adventure, e.g. backpacking, climbing, challenging biking or river trips.
- “Ecotourism” – wildlife viewing, photography, etc.

The independents and small group segment is actively sought by many Alaska communities because they tend to stay longer, spend more, and create fewer adverse impacts per visitor than other travel segments, such as large cruise boat visitors.

**Current Visitation**

*National and Alaska Trends*

Alaska has seen a general decline in the relative percentage of independent travelers, as illustrated by the tables below. In the last 5 years, independent and small group travel has continued to grow, but at a much slower rate than large ship cruise travel.

The table on the following page shows the level of participation by Alaska travelers in different types of activities. What jumps out is, despite the vision of an Alaska trip as a series of encounters with the wilderness, that in fact visitors focus most on more passive activities, such as sightseeing, shopping, and visiting information centers.

The general category of travel described in this section comes close to matching what many people call “ecotourism”. Ecotourism is a term widely used with little precision. One commonly heard definition is “responsible travel that conserves the environment and sustains the well-being of local people” (The Ecotourism Society, 1995). Ecotourism is most commonly associated with small group package tours, e.g., a guided trip to the rain forests in Papua New Guinea, the Kobuk River, or a rural Alaska village. The term also refers to independent travel activities, such as backpacking, cultural trips or mountain climbing. Distinguishing characteristics of

<table>
<thead>
<tr>
<th>Table 4-10. All Visitors to Alaska</th>
<th>Summer 1989</th>
<th>Summer 1993</th>
<th>Summer 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Package</td>
<td>37%</td>
<td>44%</td>
<td>43%</td>
</tr>
<tr>
<td>Inde-Package</td>
<td>21%</td>
<td>13%</td>
<td>27%</td>
</tr>
<tr>
<td>Independent</td>
<td>42%</td>
<td>44%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: Alaska Visitor Statistics Program

<table>
<thead>
<tr>
<th>Table 4-11. All Visitors to Alaska</th>
<th>Fall / Winter 1989</th>
<th>Fall / Winter 1993-4</th>
<th>Fall / Winter 2000-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Package</td>
<td>11%</td>
<td>6%</td>
<td>13%</td>
</tr>
<tr>
<td>Inde-Package</td>
<td>2%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Independent</td>
<td>87%</td>
<td>90%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Source: Alaska Visitor Statistics Program.
Ecotourism activities include smaller groups, a focus on education, emphasis on learning about nature and culture (as opposed to more traditional “sun and fun” travel) and, in theory, travel that does not harm and actually benefits the residents and the places where the travel takes place.

Ecotourism is now one of the fastest growing segments of the tourism industry (WTO 1997; WTO, Sep/Oct 1998b). Specific growth rates are hard to capture, given the diversity of what defines ecotourism, but the World Tourism Organization (WTO) estimated that ecotourism and all nature-related forms of tourism now account for 20% of all international travel, and that ecotourism is worth $20 billion a year (WTO, Jan/Feb 1998). Anecdotes from specific destinations illustrate the rapid rate of growth. In Costa Rica, for example, visitation doubled in 1992 after the country began marketing itself as an ecotourism destination.

In Alaska, including places like Nome, interest in “ecotourism” is difficult to quantify, however, certain subsets of this broad category are clearly growing rapidly. Most notable is interest in wildlife viewing, particularly for bears, whales and other coastal marine life. The last 10 years has seen an explosion of new bear viewing businesses, mostly focused on Kodiak, Brooks Camp and the Katmai Coast.

<table>
<thead>
<tr>
<th>Activities</th>
<th>1989</th>
<th>1993</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LARGE MAJORITY</strong></td>
<td>% Participating**</td>
<td>% Participating**</td>
</tr>
<tr>
<td>Shopping</td>
<td>51-85%</td>
<td>49-81%</td>
</tr>
<tr>
<td>Visitor info. centers</td>
<td>55-68%</td>
<td>58-71%</td>
</tr>
<tr>
<td>Restaurants/nightlife</td>
<td>51-65%</td>
<td>52-70%</td>
</tr>
<tr>
<td>Wildlife Viewing</td>
<td>31-68%</td>
<td>37-58%</td>
</tr>
<tr>
<td><strong>SOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Tours</td>
<td>30-53%</td>
<td>32-54%</td>
</tr>
<tr>
<td>Bird Watching</td>
<td>22-40%</td>
<td>17-29%</td>
</tr>
<tr>
<td>Day Cruises</td>
<td>21-32%</td>
<td>25-29%</td>
</tr>
<tr>
<td>Hiking</td>
<td>10-24%</td>
<td>13-22%</td>
</tr>
<tr>
<td><strong>A FEW</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flightseeing</td>
<td>7-30%</td>
<td>5-27%</td>
</tr>
<tr>
<td>Freshwater Fishing</td>
<td>3-20%</td>
<td>7-18%</td>
</tr>
<tr>
<td>Rafting</td>
<td>2-13%</td>
<td>2-13%</td>
</tr>
<tr>
<td><strong>ALMOST NONE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hunting</td>
<td>0-1%</td>
<td>0-1%</td>
</tr>
</tbody>
</table>

Source: AVSP-89, table IV-B-9; AVSP 93, Patterns, table IV-R. **The ranges shown indicate the lowest to the highest % participation found in the 5 regions of Alaska. Southwest Alaska is excluded, because it has the least visitation of any state region, and typically participation rates that are the highest/lowest in any category.
and a few spots in Southeast. One indication of the growth in this sector is the change in the composition of commercial use permits at National Parks in Bristol Bay (which includes Katmai, Lake Clark, and Aniakchak National Parks). In the last ten years, the mix of commercial operators in these three parks changed from nearly 100% hunting and fishing, to nearly half of all permits being held by bear viewing companies.

Nome Trends

Soft and Active Adventure, Wildlife Viewing, Sightseeing

There are no records available on the number of visitors to the Nome area in this category. In general, Nome is not a major destination for this category of visitors. But modest numbers of visitors do travel to the area, drawn by the road system and the region’s natural attractions. The perspectives of two tourism businesses serving these markets is summarized below, to provide an insight into current use and future prospects for this market segment.

Murphy’s by the River

Murphy’s has been open for 3 years and is located on the Niukluk River in Council. The business includes a B&B (that typically houses 10-12 clients, but has had up to 17) and guided services (4-wheel excursions, wildlife-viewing, biking, canoeing, hiking). The actual amount of use varies from season to season – depending on how soon roads are open. He has had between 50 and 100 guests for the past 3 years in July and August. Last year in August only two days were guest-free. Visitors would like to come in June, if the roads were clear. Approximately 60% of visitors are from outside the Nome region. According to Murphy’s owner, there are 5 other similar guide operations based in Council. One operation, Northwest Adventures, does twice as much business. The others are comparable in size. He believes there is room for more such businesses.

All Alaska Tours

This company packages and sells Alaskan and Canadian tours retail and wholesale. Traditionally they have focused on creating packages to be sold by other travel companies, primarily in Europe. More recently they’ve begun selling packages direct to consumers, from their website. They offer one 3-day driving tour to Nome. Highlights (from website - http://www.alaskatours.com/driving/14nome.htm) are described below:

“This unique itinerary takes you across part of the ancient Bering Land Bridge that once connected Asia with North America. Recommended for adventurous travelers seeking off the beaten track and unusual destinations, this self-drive is possibly the most remote in America. Self-drive participants can experience the thrill of exploring Alaska’s last frontier where today gold prospectors can still be seen working sluice boxes on Nome’s beaches. The sub-arctic is best seen independently to accommodate individual interests, the Bering self-drive tour is the way to go.”

This tour costs $1100 per person, who share a car and a hotel room. The trip has been offered for the last 5 years. The purpose of the trip is to explore and enjoy the road system.
They always hear favorable comments in response to the, “Arctic experience, driving, the whole flavor of a remote, exotic location: the native cultural side, the potential to see wildlife, and gold rush history…” About a dozen people a year take the tour.

**Cultural and Heritage Tourism**

No specific records of numbers of visitors are available in this category. However, the museum tracks its number of visitors at an average of 25 per day (including locals). Nome business people estimate that as many as 500 people each summer come to the area for the gold mining camp.

**Future visitation**

Estimates of numbers of visitors to Nome are available in a number of visitor categories—air tours, cruise boats, birders, etc.—but not for this important “catch-all” category of small group and independent travelers. Consequently in chapter five’s scenarios we have “backed into” an estimate for this loose category as outlined below:

- Estimated total number of visitors to Nome, comparing numbers of people getting onto planes in summer vs. winter months (see Appendix A)
- Subtract from the total (10,000 visitors) numbers of visitors in categories where we have relatively good estimates (e.g., birds, air travel, cruise)
- Use the difference to estimate numbers of visitors for chapter five scenarios

**Summary of Strengths and Opportunities**

**Adventure, sightseeing**

- lots of attractive open country available for hiking, exploring
- good chance to see musk ox, reindeer; infrequent sightings of bear, moose, caribou
- interesting rock formations, some with climbing potential
- several rivers offer modest floating opportunities
- beach front, an unusual (for Alaska), interesting attraction
- road system, which provides access to all the attractions above

**Culture, History**

- Nature, quality of Nome area natural resources
- Gold mining history is rich and interesting; opportunities to learn about this history are strong. Among the highlights of the gold-mining based attractions are the museum, mining related artifacts and machinery still visible in the landscape (e.g., the dredges, the famous train to nowhere), and the town itself (both in its physical form, and lively character).
- Native cultural history is likewise interesting, but currently underdeveloped.
- Road System - provides opportunities to see, experience culture and history (e.g., train to nowhere, rural villages).
Summary

- Active adventure is a major, but almost always a secondary draw to people visiting Alaska.
- Nome is not a major destination for these kinds of activities. But modest numbers of visitors do travel to the area, drawn by the road system and natural landscapes.

Issues and Barriers

While Nome has the potential to expand this small group and independent sightseeing market, it will need to address a number of issues in order to realize this potential. Among these are:

Lack of a “Major” Attraction

Currently Nome lacks any single “5 star” attractions (attractions equivalent to Denali, a concentration of bears, a well-known national park). Such attractions cannot be readily “created”, but Nome could do more to expand and package those intrinsic attractions it does possess. Options include:

- Expand Native cultural-based attractions (e.g. develop a cultural center, activity center)
- Work with the Bering Land Bridge National Preserve to enhance this federal resource as an attraction
- Work with the owners of the Pilgrim Hot Springs to create more of an attraction.
- Take actions to make exploring the town more interesting and rewarding to a broader audience.
- Create more nature-based attractions (e.g., an in-town natural history center, out of town interpretive information).
- Partner with outlying villages, where interest exists, to provide more reasons to visit these communities.
- Establish trail systems – for hiking, biking, motorized use; range of trail types, from challenging wilderness routes, to easy short, pleasant strolls.
- Investigate option to develop trails in old water channels, which provide relatively level routes through interesting terrain, and could be the basis for biking, hiking, and motorized use winter and summer.

Lack of information

Lack of confidence (about what to do, where the best places are to hike, see animals, etc.) is one of the biggest barriers to travel, particularly when people have to go to a destination as remote as Nome. The cruise industry thrives in Alaska because many travelers are intimidated by the prospect of exploring the wild north on their own. Much more could be done—with maps, mileposts, signage, information centers, and similar efforts. For example, ADF&G is currently working on a Nome area guide, which is likely to be completed in 2004. Sue Steinecker is the ADF&G office lead on the project, using education funds. ADOT&PF work could enhance value of this guide, e.g. by providing reference points along the road (e.g., monuments, mileage markers).

Uncertain Road Conditions

As described in chapter two, Nome’s road system has its problems. Visitors do not know what to expect from the road network, and although hiring guides can help, materials to provide along with the car rental such as what to look for and do, what to expect, how to plan, and how to get help, is an important
missing resource. The NCVB office provides general guides, but a more comprehensive approach (like the Alaska Milepost) would improve confidence and interest for independent travelers.

Lack of Marketing
As described in the previous sections, much has been done but more is possible. Several specific ideas include:

- Better industry partnerships
- Partnerships with other Northwest Alaska destinations
- Provide more information about the specific activities that visitors might enjoy, e.g. mountain biking, hiking, climbing, winter snow machines, community walks, special places for viewing wildlife, etc.

Fishing and Hunting
This final category attracts only a small number of visitors from outside the region. It generally includes people who come specifically to hunt or fish, as independent visitors or as part of small group package tours.

Fishing
Historically, the Nome area has offered good, road accessible fishing for salmon, grayling and Dolly Varden. In addition, several small, air accessible lodges operate in the area.

The Seward Peninsula sport fishery has declined over recent years. Exact reasons are not well understood, but the most frequently cited causes include over-fishing, changes in stream conditions, and for salmon, the change in number of fish returning (due to changes in climate, water temperature, or perhaps over-harvesting by commercial boats). Dolly Varden fishing can be good in the spring and fall, but is tied to salmon. If salmon arrive in good numbers, Dollys linger to feed on their roe; if the salmon aren’t in, the Dollys go downstream to summer in the salt water.

Currently ADF&G has restrictions on sport fishing, for example, a season-long closure on grayling (in the past, anglers could keep 5 grayling a day) on the Nome and Solomon Rivers. Other rivers in the area are still open, and offer good grayling fishing.

Current Visitation
ADF&G estimates the large majority of current sport fishing use is local. For purposes of this report we estimate approximately 200 out-of-state travelers come primarily to fish each year. (Note: total number of out-of-state visitors fishing is higher than 200, but these other anglers are picked up in other categories, e.g., visiting friends and relatives, birders and other summer visitors, etc.)
Table 4-12. Current Visitation - Fishing
Seward Peninsula Angler Days

<table>
<thead>
<tr>
<th>Year</th>
<th>Anglers</th>
<th>Sport Fish Trips</th>
<th>Angler Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>3,233</td>
<td>12,986</td>
<td>19,919</td>
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<tr>
<td>1990</td>
<td>3,719</td>
<td>14,677</td>
<td>19,647</td>
</tr>
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<td>1995</td>
<td>2,958</td>
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<td>1996</td>
<td>2,773</td>
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<td>2,700</td>
<td>9,331</td>
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</tr>
<tr>
<td>2001</td>
<td>2,371</td>
<td>5,161</td>
<td>10,954</td>
</tr>
</tbody>
</table>

ADF&G, annual user survey report

Hunting

Nome has fair hunting resources for moose, bear and caribou, and receives a modest level of hunting pressure. In contrast to the nearby Kotzebue area, Nome has relatively few guides and transporters. In Kotzebue, 50% of hunters are non-local; in Nome this number is 10% or less. Reasons for this difference include overall greater numbers of wildlife in the Kotzebue area, coupled with better access to remote areas, e.g. along the Noatak River, where it is possible to land on wheels on gravel bars or land with floats on the river.

Caribou hunting in the Nome area is only possible if the annual migration brings animals close enough and if snow conditions allow use of the roads. In most years, caribou do not arrive until after first snow falls. At that time roads typically are not usable by cars but do not yet have enough snow for snow machines. If the caribou arrive in August or September, then there will typically be a spike of use from outside the region. ADF&G issued 600 caribou permits in 2002, almost all of which were issued to local area residents.

ADF&G issued 400 moose permits in 2002, and like caribou, almost all were issued to local area residents. Bear hunting is controlled by ADF&G permits, with 27 bear permits issued annually for non-Alaskans. The area doesn’t always have demand for all the non-local permits.

Roads are used by almost all area hunters. All three roads see fairly equal volumes of hunting-related traffic. Roads allow hunter access for trailers that haul 4-wheelers, and access to waterways.

Current Visitation

Based on discussions with ADF&G of total numbers of permits offered, and the percentage of local vs. non-local hunters, it is estimated that 200 people come from out the region to hunt annually.
Summary of Strengths and Opportunities

Fishing – traditionally the Nome area has been a good place for road accessible fishing, however, this has noticeably declined in recent years.

Hunting – The Nome area offers fair hunting from the road system, and from fly out lodges.

Issues and Barriers
Little can be done to affect the overall numbers of wildlife and fish available, at least in the near term. The main issues and barriers to be addressed include:

- **Road System** - As long as the road is passable, people will continue to fish and hunt as they have in the past. ADF&G believes that road improvements are unlikely to change these patterns.

- **Market fishing as part of a package of visitor activities** – Put greater emphasis on road-accessible fishing as an additional way visitors might experience what is unique about the Nome area.

- **Improve float logistics** - Find ways to make it easier for visitors to float area streams.