

Fall/Winter 1998-1999

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# Major Findings

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## Introduction

The following findings are McDowell Group estimates of visitor arrivals in Alaska. No actual field surveying has been conducted for Fall/Winter (October through April). The last *Alaska Visitor Statistics Program III (AVSP)* surveys were conducted in Fall/Winter 1993-1994. The visitor arrival numbers presented here are based on total arrival trends (including Alaska residents), economic conditions in Alaska, population growth, visitor industry trends instate and nationwide and other factors.

## Summary of Findings

### **Total Arrivals (Residents and Visitors Combined)**

- Overall resident and non-resident travel in the fall/winter period of 1998-1999 increased moderately, by 3.1%, over the fall/winter period of 1997-1998.
- The increase in overall traffic was due in large part to the increase in domestic air travel, which grew by 5% in the fall/winter period.
- Both international air traffic and ferry traffic experienced healthy increases in the 1998-99 period, growing by 21% and 28%, respectively (though their total volumes are very small compared to the dominant domestic air mode).
- Highway traffic was down moderately, by 8%, in the 1998-1999 fall/winter season.
- Despite overall growth since the previous year, total arrivals did not reach 1996-1997 levels. 1998-1999 traffic was 6% lower than in 1996-1997.

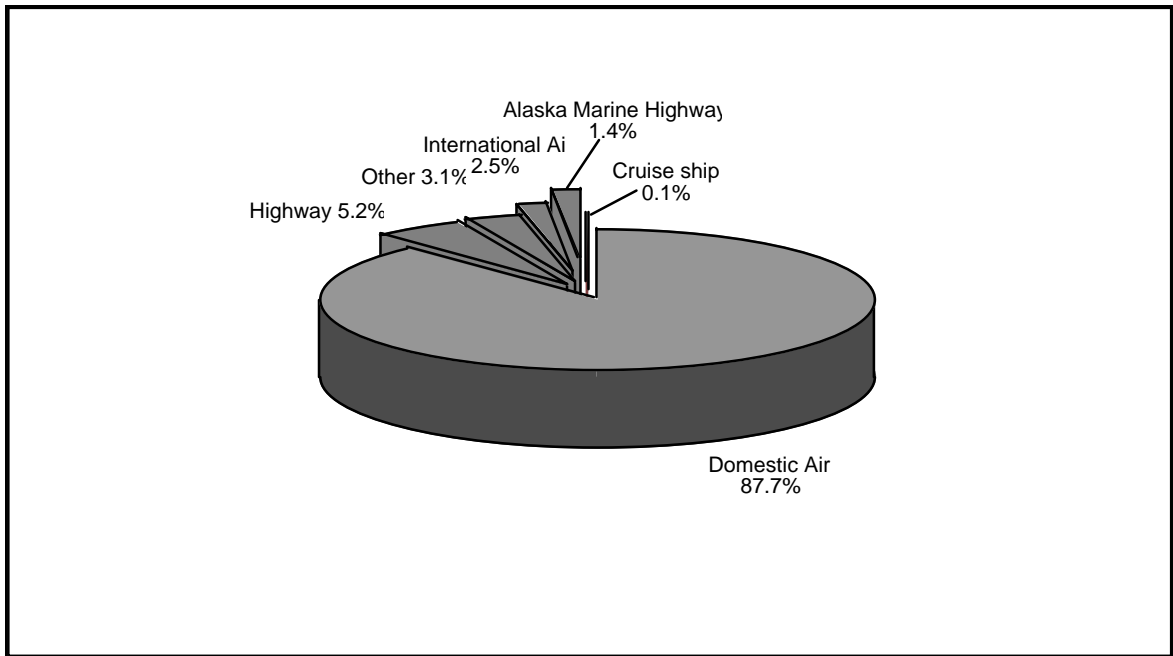
### **Visitor Arrivals by Entry Mode**

- Domestic Air was the dominant entry mode in Fall/Winter 1998-1999 accounting for 88% of all visitor arrivals. Air arrivals grew moderately from the previous year, increasing by 4.4%.
- Ferry visitor arrivals posted the greatest increase, growing by 24% over the 1987-1998 season. Growth occurred exclusively in departures from Prince Rupert, where the port was shut down for part of the 1997-1998 season due to the Malaspina blockade. This may also account for part of the 9% decline in highway visitor traffic. Visitors who were forced by the blockade to use the highway in the 1997-1998 season resumed ferry use in the 1998-1999 season.
- International air visitors increased by 20% to 5,300 in the 1998-1999 season. Asia's recovery from its economic crisis likely contributed in large part to this growth.
- The small volumes of both ferry and international air arrivals can be affected by minor influences. Neither increase is considered a trend.

**Visitor (Non-Resident) Arrivals by Entry Mode**  
**Fall/Winter 1997-1998 and Fall/Winter 1998-1999**

<b>Entry Mode</b>	<b>Fall/Winter 1997-1998</b>	<b>Fall/Winter 1998-1999</b>	<b>% Change 1997-1998 to 1998-1999</b>
Domestic Air	181,500	189,600	+4.4%
Cruise Ship	100	200	+71.0
Highway-Personal Vehicle	12,400	11,300	-9.2
Highway-Motorcoach	0	0	0
Alaska Marine Highway System	2,500	3,100	+24.8
International Air	4,400	5,300	+21.6
Other	8,700	6,800	-21.9
<b>Total Visitor Arrivals</b>	<b>209,600</b>	<b>216,300</b>	<b>+3.2%</b>

**Total Visitors by Entry Mode**  
**Fall/Winter 1998-1999**



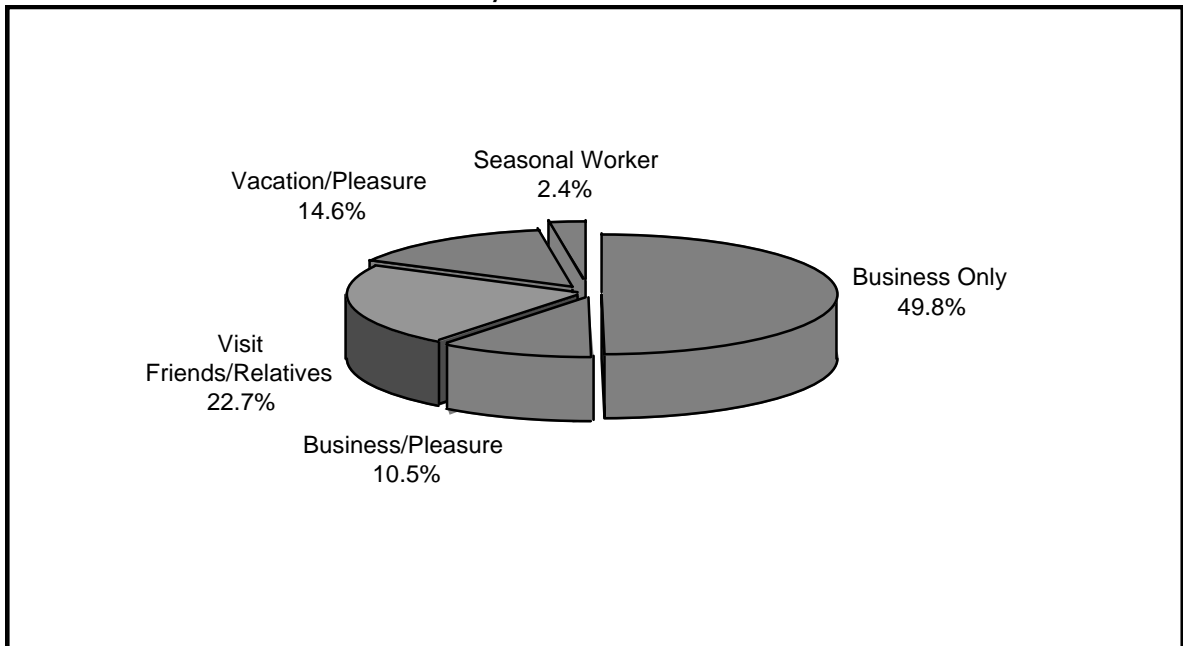
## Visitor Arrivals by Trip Purpose

- All Trip Purpose segments experienced slight to moderate growth in the 1998-1999 Fall/Winter season, ranging from 1.3% to 4.0%.
- Trip Purpose estimates are based on historic trip purpose distribution by entry mode.

### Visitor Arrivals by Trip Purpose Fall/Winter 1997-1998 and Fall/Winter 1998-1999

Trip Purpose	Fall/Winter 1997-1998	Fall/Winter 1998-1999	% Change 1997-1998 to 1998-1999
Vacation/Pleasure	31,100	31,500	+1.3%
Visiting Friends and Relatives	47,300	49,200	+4.0
Business and Pleasure	22,000	22,700	+3.2
Business Only	104,200	107,700	+3.4
Seasonal Workers	5,000	5,200	+4.0
<b>Total Visitors<sup>1</sup></b>	<b>209,600</b>	<b>216,300</b>	<b>+3.2%</b>

### Visitor Arrivals by Trip Purpose Fall/Winter 1997-1998



## Full Year Visitor Arrivals, May 1998 through April 1999

- Total arrivals to the state of Alaska for the full year of May 1998 through April 1999 were 2.2 million, a 2.5% increase over the previous full-year period (May 1997 through April 1998). Both Fall/Winter and Summer seasons experienced moderate growth in total arrivals.
- The total number of visitors to Alaska in the 1998-1999 full year period reached nearly 1.4 million, an increase (+3.7%) over the previous full year period.
- Similar to previous years, the dominant travel mode for visitors to Alaska was Domestic Air (54%) followed by Cruise Ship (31%).

### Full Year Total Arrivals and Visitor Arrivals Summary Summer 1998 and Fall/Winter 1998-1999

<b>Summer 1998</b>				
<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% of Total Arrivals</b>	<b>Total Visitors<sup>1</sup></b>	<b>% of Total Visitors<sup>1</sup></b>
Domestic Air	824,485	53.3%	551,600	47.4%
Cruise Ship	431,222	27.9	431,200	37.1
Highway-Personal Vehicle	199,038	12.9	113,100	9.7
Highway-Motorcoach	4,080	0.3	4,100	0.4
Alaska Marine Highway System	26,382	1.7	21,600	1.9
International Air	25,093	1.6	20,000	1.7
Other	37,725	2.4	22,100	1.9
<b>Totals</b>	<b>1,548,025</b>	<b>100.0%</b>	<b>1,163,700</b>	<b>100.0%</b>
<b>Fall/Winter 1998-1999</b>				
<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% of Total Arrivals</b>	<b>Total Visitors<sup>1</sup></b>	<b>% of Total Visitors<sup>1</sup></b>
Domestic Air	551,934	88.0%	189,600	87.7%
Cruise Ship	171	<1	200	<1
Highway-Personal Vehicle	32,840	5.2	11,300	5.2
Highway-Motorcoach	935	<1	0	0.0
Alaska Marine Highway System	9,540	1.5	3,100	1.4
International Air	11,144	1.8	5,300	2.5
Other	20,663	3.3	6,800	3.1
<b>Totals</b>	<b>627,227</b>	<b>100.0%</b>	<b>216,300</b>	<b>100.0%</b>
<b>Full Year Total</b>				
<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% of Total Arrivals</b>	<b>Total Visitors<sup>1</sup></b>	<b>% of Total Visitors<sup>1</sup></b>
Domestic Air	1,376,419	63.3%	741,200	53.7%
Cruise Ship	431,393	19.8	431,400	31.3
Highway-Personal Vehicle	231,878	10.7	124,400	9.0
Highway-Motorcoach	5,015	0.2	4,100	0.3
Alaska Marine Highway System	35,922	1.7	24,700	1.8
International Air	36,237	1.7	25,300	1.8
Other	58,388	2.7	28,900	2.1
<b>Totals</b>	<b>2,175,252</b>	<b>100.0%</b>	<b>1,380,000</b>	<b>100.0%</b>

<sup>1</sup> Totals for the number of visitors have been rounded up to the nearest 100.

## Full Year Visitor Arrivals, October 1998 through September 1999

Because of the timing of the publication of this particular document (February, 2000), it is possible to compute the full year that includes the Summer of 1999. The following table details the full year from October 1998 through September 1999. Comparisons to previous years are not made as historically, the full year data has been presented from May through April. See table and text on the previous page for further detail.

### Full Year Total Arrivals and Visitor Arrivals Summary Summer 1998 and Fall/Winter 1998-1999

<b>Summer 1999</b>				
<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% of Total Arrivals</b>	<b>Total Visitors<sup>1</sup></b>	<b>% of Total Visitors<sup>1</sup></b>
Domestic Air	850,145	53.2%	565,600	47.2%
Cruise Ship	457,106	28.6	457,100	38.1
Highway-Personal Vehicle	195,874	12.3	106,300	8.9
Highway-Motorcoach	3,734	0.2	3,700	0.3
Alaska Marine Highway System	25,816	1.6	20,800	1.7
International Air	27,535	1.7	21,700	1.8
Other	37,994	2.4	23,800	2.0
<b>Total Arrivals</b>	<b>1,598,204</b>	<b>100.0%</b>	<b>1,199,000</b>	<b>100.0%</b>
<b>Fall/Winter 1998-1999</b>				
<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% of Total Arrivals</b>	<b>Total Visitors<sup>1</sup></b>	<b>% of Total Visitors<sup>1</sup></b>
Domestic Air	551,934	88.0%	189,600	87.7%
Cruise Ship	171	<1	200	<1
Highway-Personal Vehicle	32,840	5.2	11,300	5.2
Highway-Motorcoach	935	<1	0	0.0
Alaska Marine Highway System	9,540	1.5	3,100	1.4
International Air	11,144	1.8	5,300	2.5
Other	20,663	3.3	6,800	3.1
<b>Totals</b>	<b>627,227</b>	<b>100.0%</b>	<b>216,300</b>	<b>100.0%</b>
<b>Full Year Total</b>				
<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% of Total Arrivals</b>	<b>Total Visitors<sup>1</sup></b>	<b>% of Total Visitors<sup>1</sup></b>
Domestic Air	1,402,079	63.0%	755,200	53.4%
Cruise Ship	457,277	20.5	457,300	32.3
Highway-Personal Vehicle	228,714	10.3	117,600	8.3
Highway-Motorcoach	4,669	0.2	3,700	0.3
Alaska Marine Highway System	35,356	1.6	23,900	1.7
International Air	38,679	1.7	27,000	1.9
Other	58,657	2.7	30,600	2.1
<b>Totals</b>	<b>2,225,431</b>	<b>100.0%</b>	<b>1,415,300</b>	<b>100.0%</b>

<sup>1</sup> Totals for the number of visitors have been rounded up to the nearest 100.

# Detailed Findings

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## **Total Arrivals by Season and Month**

During the fall/winter period of 1998-1999, total arrivals to Alaska (residents and visitors combined) were 627,227. The vast majority of arrivals (88%) occurred in the Domestic Air mode. The second-largest arrival mode was highway, accounting for just 5.2% of all arrivals.

Overall arrivals to the state increased by 3.1% in the fall/winter period of 1998-1999. Contributing to this growth were moderate increases in visitor traffic. While visitor traffic in Alaska has been growing at a slower rate in the last few years compared to the early 90's, it continues to increase, fueled in large part by the expanding summer cruise industry. The moderate growth of fall/winter traffic also follows nationwide travel trends. In 1998, United States domestic travel grew by 3.1% and in 1999 by 3.2%.<sup>1</sup> (Footnote: Travel Industry Indicators, December 1999, page 4)

International Air posted significant increases in overall traffic for the fall/winter period of 1998-1999. Much of this growth is attributable to recovery from the Asian economic crisis which affected travel in the 1997-1998 period.

Alaska Marine Highway System (Ferry) arrivals exhibited a strong recovery from the weak 1997-1998 year, in large part due to the resumed service from Prince Rupert. Ferry arrivals increased by 28% overall to 9,540. Despite the increase, total ferry arrivals were still slightly below 1996-1997 levels (9,621 arriving passengers).

Highway arrivals experienced a downturn in the 1998-1999 fall/winter season, decreasing by 8%. After a dramatic increase of 17% in the 1997-1998 season, arrivals in this mode has leveled off at around 34,000, 9% above 1996-1997 numbers.

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<sup>1</sup> *Travel Industry Indicators*, December 1999, page 4.

Table I-1 shows the Fall/Winter period by season and in total. Both seasons experienced growth in the 1998-1999 period, with fall arrivals increasing by nearly 5% and winter arrivals by nearly 2%.

Table I-1

**Total Arrivals by Season  
(Residents and Visitors Combined)  
Fall/Winter 1998-1999**

<b>Mode</b>	<b>Fall</b>	<b>Winter</b>	<b>Total</b>	<b>% Change F/W 1997-98/1998-99</b>
<b>Domestic Air<sup>1</sup></b>	<b>244,425</b>	<b>307,509</b>	<b>551,934</b>	<b>+4.5%</b>
Anchorage	197,571	245,926	443,497	+5.7
Other	46,854	61,583	108,437	-0.5
<b>International Air<sup>2</sup></b>	<b>4,750</b>	<b>6,394</b>	<b>11,144</b>	<b>+21.4%</b>
<b>Cruise Ship</b>	<b>0</b>	<b>171</b>	<b>171</b>	<b>+71.0%</b>
<b>Highway<sup>3</sup></b>	<b>13,188</b>	<b>20,587</b>	<b>33,775</b>	<b>-7.8%</b>
<b>Alcan &amp; Poker Creek</b>				
Personal Vehicle	8,419	10,805	19,224	-6.6
Motorcoach <sup>4</sup>	264	356	620	+278.0
<b>Skagway</b>				
Personal Vehicle	4,448	9,168	15,550	-12.4
Motorcoach <sup>4</sup>	57	258	329	-4.3
<b>Alaska Marine Highway<sup>5</sup></b>	<b>3,522</b>	<b>6,018</b>	<b>9,540</b>	<b>+27.5%</b>
Departing Bellingham	2,100	3,656	5,756	-0.1
Departing Prince Rupert	1,422	2,362	3,784	+120.5
<b>Other<sup>6</sup></b>	<b>8,728</b>	<b>11,935</b>	<b>20,663</b>	<b>-22.1%</b>
<b>Total Arriving Passengers<sup>7</sup></b>	<b>274,613</b>	<b>352,614</b>	<b>627,227</b>	<b>+3.1%</b>
<b>% of Change By Season 1997-1998 to 1998-1999</b>	<b>+4.6%</b>	<b>+1.9%</b>	<b>+3.1%</b>	

*Footnotes appear on page 8.*

Table I-2 demonstrates the number of total arrivals to Alaska by entry mode for each of the months October 1998 through April 1999. As in the 1997-1998 season, the month of December posted the largest number of arrivals (102,000). March and April were also strong with around 95,000 arrivals each. Only 70,000 arrived in the state in February, typically the weakest month.

Table I-2

**Total Arrivals by Month  
(Residents and Visitors Combined)  
October 1998 to April 1999**

Mode	October	November	December	January	February	March	April	Total
<b>Domestic Air<sup>1</sup></b>	<b>75,648</b>	<b>76,192</b>	<b>92,585</b>	<b>82,502</b>	<b>62,703</b>	<b>84,423</b>	<b>77,881</b>	<b>551,934</b>
Anchorage	60,908	61,765	74,898	66,732	50,155	67,479	61,560	443,497
Other	14,740	14,427	17,687	15,770	12,548	16,944	16,321	108,437
<b>International Air<sup>2</sup></b>	<b>1,361</b>	<b>1,268</b>	<b>2,121</b>	<b>1,571</b>	<b>1,349</b>	<b>1,599</b>	<b>1,875</b>	<b>11,144</b>
<b>Cruise Ship</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>171</b>	<b>171</b>
<b>Highway<sup>3</sup></b>	<b>5,920</b>	<b>4,092</b>	<b>3,176</b>	<b>3,010</b>	<b>3,077</b>	<b>5,416</b>	<b>9,084</b>	<b>33,775</b>
<b>Alcan &amp; Poker Creek</b>								
Personal Vehicle	3,694	2,730	1,995	1,875	1,720	2,546	4,664	19,224
Motorcoach <sup>4</sup>	102	70	92	142	89	52	73	620
<b>Skagway</b>								
Personal Vehicle	2,103	1,281	1,064	987	1,224	2,699	4,258	13,616
Motorcoach <sup>4</sup>	21	11	25	6	44	119	89	315
<b>Alaska Marine Highway<sup>5</sup></b>	<b>1,585</b>	<b>1,022</b>	<b>915</b>	<b>1,315</b>	<b>927</b>	<b>1,317</b>	<b>2,459</b>	<b>9,540</b>
Departing Bellingham	971	648	481	821	531	875	1,429	5,756
Departing Prince Rupert	614	374	434	494	396	442	1,030	3,784
<b>Other<sup>6</sup></b>	<b>2,886</b>	<b>2,734</b>	<b>3,108</b>	<b>2,851</b>	<b>2,433</b>	<b>3,119</b>	<b>3,532</b>	<b>20,663</b>
<b>Total Arriving</b>								
<b>Passengers</b>	<b>87,400</b>	<b>85,308</b>	<b>101,905</b>	<b>91,249</b>	<b>70,489</b>	<b>95,874</b>	<b>95,002</b>	<b>627,227</b>

Footnotes appear on the following page

*Footnotes For Tables I-1 and I-2*

Important note: Arrivals are defined as passengers entering Alaska at their first point of entry. Further, the number of first arrivals at each entry point are only those using that point for their first stop. In Anchorage, for example, 443,497 passengers entered the state on Domestic Air carriers which landed first at Anchorage. Several times that number transited in and/or out of Anchorage by air from in-state locations.

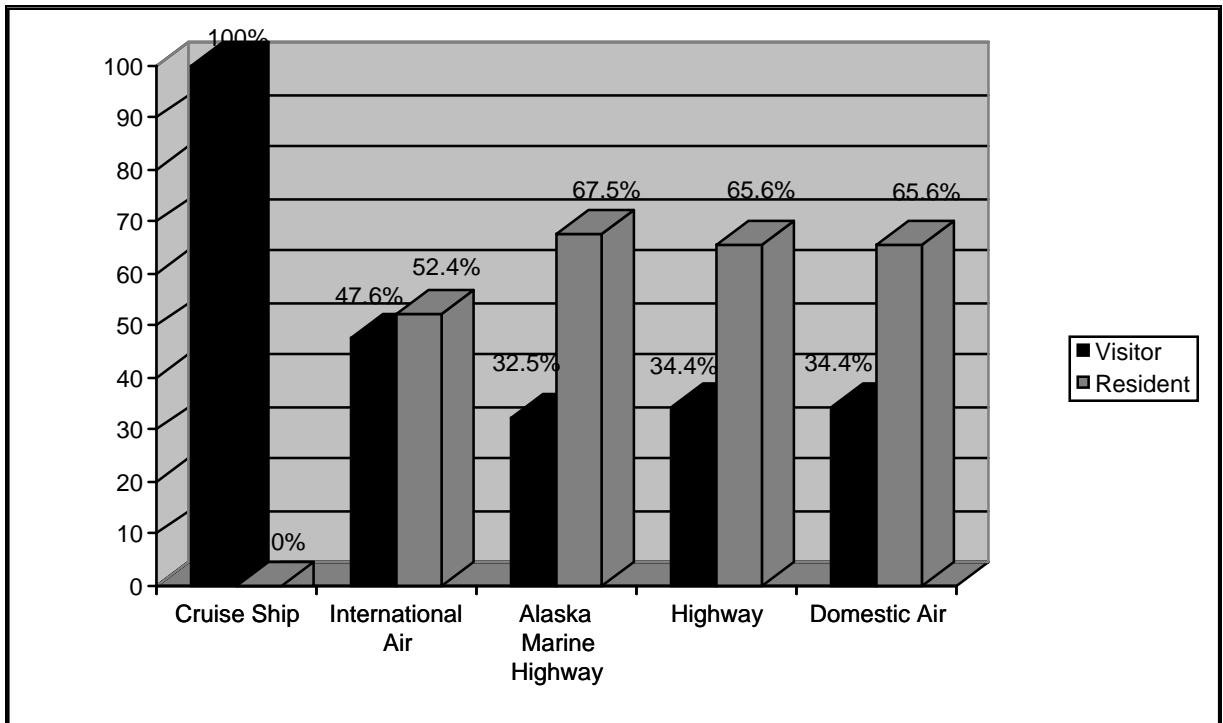
- 1 Domestic Air totals include both scheduled and charter flights by domestic carriers.
- 2 International Air totals include both scheduled and charter flights by international carriers.
- 3 Highway Personal Vehicle totals include all passengers passing into Alaska through U.S. Customs stations on Alaska, Taylor and Klondike Highways. The Taylor station is closed during the fall and winter seasons. These totals include passengers arriving in Alaska at their first point of entry and those previously entering Alaska at other points, such as on the Ferry in Southeast Alaska before driving into mainland Alaska. Those passengers not arriving by Highway as their first point of entry are screened out by the AVSP survey process and are not double counted in the visitor totals. Passengers entering Alaska on the Klondike Highway who first visited mainland Alaska are also screened out by the survey process.
- 4 Highway Motorcoach arrivals are first arrivals only and, unlike the Personal Vehicle arrivals, do not include Motorcoach passengers who first entered Alaska at another point of entry. Motorcoach first arrivals are those passengers traveling from their point of origin entering Alaska first via Highway at the Alcan and Klondike highways U.S. Customs stations.
- 5 Alaska Marine Highway System arrivals are the number of passengers on board as the ferries pass northbound into Alaska waters from the two outside points of departure, Prince Rupert, B.C. and Bellingham. The total does not, of course, include users of the system boarding within Alaska.
- 6 The "Other" arrivals category includes first arrivals at minor points of entry not surveyed. This includes Domestic Air first arrivals at locations other than Ketchikan, Juneau, Anchorage and Fairbanks; some private vessel and aircraft arrivals; commercial truck passengers through Alcan, Taylor and Klondike checkpoints and a statistical adjustment to prevent disclosure of individual carrier volume. This does not include crew members of all other passenger transportation modes.

## Resident/Visitor Arrival Composition

Past resident/visitor ratios were applied to fall/winter 1998/1999 arrival data to determine the number of visitors arriving by each mode. Graph I-B depicts the ratios between residents and residents by entry mode. The primary travel mode, domestic air, was more than one-third non-resident visitors (34.4%) with the remainder being Alaska residents (65.6%). Highway and Domestic Air proportions were identical and nearly the same as AMHS proportions. International Air visitors were nearly even with 48% being non-resident visitors and the remaining 52%, residents. International Air visitors were nearly even with 48% being non-resident visitors and the remaining 52%, residents.

Graph I-B

**Resident/Visitor Arrival Composition by Entry Mode  
Fall/Winter 1998-1999**



## Visitor Arrivals by Entry Mode

As shown in Table I-3, visitors comprised slightly more than one-third (35%) of Fall/Winter travelers or a total of approximately 216,300 visitors. The vast majority of visitors (88%) used domestic air as their entry travel mode.

Table I-3

### Resident/Visitor Arrivals by Entry Mode Fall/Winter 1998-1999

<b>Entry Mode</b>	<b>Total Arrivals</b>	<b>% Visitors</b>	<b># of Visitors<sup>1</sup></b>	<b>% of Total Visitors</b>
Domestic Air	551,934	34.4%	189,600	87.7%
Cruise Ship	171	100.0	200	<1
Highway-Personal Vehicle	32,840	34.4	11,300	5.2
Highway-Motorcoach	935	0.0	0	0.0
Alaska Marine Highway System	9,540	32.5	3,100	1.4
International Air	11,144	47.6	5,300	2.5
Other	20,663	32.9	6,800	3.1
<b>Total Arrivals</b>	<b>627,227</b>	<b>34.5%</b>	<b>216,300</b>	<b>100.0%</b>

<sup>1</sup> Totals for the number of visitors have been rounded up.

# Visitor Arrival Trends

This section shows 1998/1999 arrival data compared with 1989/1990 data and the annual average change over the nine-year period.

## Visitor Entry Mode Trends

Visitor traffic grew an estimated 17% in the nine years between fall/winter of 1989-1990 and fall/winter of 1998-1999. The most significant growth occurred in the domestic air travel mode, which grew a total of 29% over the nine-year period.

Table II-1

**Visitor Trends by Entry Mode  
Fall/Winter 1989-1990 and Fall/Winter 1998-1999**

	<b>1989-90</b>	<b>1998-99</b>	<b>Total Change</b>	<b>Annual Average Change</b>
Domestic Air	146,900	189,600	+29.1%	+2.9%
International Air	14,300	5,300	-62.9	-5.6
Highway-Personal Vehicles	10,900	11,300	+3.7	+0.4
Cruise Ship	—	200	NA	NA
Alaska Marine Highway	6,300	3,100	-50.8	-4.6
<b>Total Visitors<sup>1</sup></b>	<b>178,400</b>	<b>209,500</b>	<b>+17.4%</b>	<b>+1.8%</b>

<sup>1</sup> The "Other" Category, visitors arriving at minor points of entry, was not included in this analysis.

## Visitor Trip Purpose Trends

Trip Purpose proportions were taken from historical trends in the trip purpose composition of visitors arriving in each entry mode. Vacation/Pleasure (VPs) visitors increased by the largest portion of the trip purpose categories, growing by 41% between fall/winter 1989-1990 and fall/winter 1998-1999. Business/pleasure travelers decreased by an average of 2.3%, while business only travelers increased at about the same rate.

Table II-2

### Visitor Trends by Main Trip Purpose Fall/Winter 1989-1990 and Fall/Winter 1998-1999

	1989-90	1998-99	Total Change	Annual Average Change
Vacation/Pleasure	21,800	30,800	+41.3%	+3.9%
Visit Friends & Relatives	38,000	47,600	+25.3	+2.6
Business & Pleasure	28,400	22,000	-22.5	-2.3
Business Only	85,200	104,100	+22.2	+2.3
Seasonal Worker	5,000	5,000	-	-
<b>Total Visitors<sup>1</sup></b>	<b>178,400</b>	<b>209,500</b>	<b>+17.4%</b>	<b>+1.8%</b>

<sup>1</sup> The "Other" Category, visitors arriving at minor points of entry, was not included in this analysis.