

Quaaout Lodge

Quaaout Lodge

Thompson Rivers University A
Marketing Case Study

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Introduction

On January 14, 2020, an interview was conducted with Alexandra Miege and Cammeo Goodyear. The meeting took place at Quaaout Lodge in Chase, BC. The interviewees shared with the case study team their background, experiences, and plans for the lodge, specific to their areas of responsibility and history of employment.

In addition, information was contributed in written form by Adam Blair, General Manager and Executive Golf Professional at Quaaout Lodge.

Interviewees

Cammeo Goodyear is the Rooms Division Manager, managing housekeeping, front desk including tours, reservations, and administration. She was born and raised in Bella Coola, BC and completed most of her education in Kamloops. While visiting Quaaout Lodge, Cammeo felt an instant connection: "I walked through the doors and told my husband that if I couldn't work here, I couldn't work anywhere else." After starting as a parttime employee, she now manages multiple departments.

"It's just such a beautiful, beautiful place, and what the Quaaout Lodge stands for for the local community is absolutely amazing. When I walked in, I just found myself so calm and so grounded, and [...] I just fell in love with the feeling of this place."

Alex Miege is currently the Director of Sales and Marketing at Quaaout Lodge, having worked on location since mid-2018. She is local to the Shuswap area, and her education includes a Bachelor of Tourism Management as well as an Events and Convention Management Diploma from TRU. Her work experience also includes the golf industry. She also connected strongly with the lodge and its surroundings during her interview, calling it "unique and really special to be a part of."

Adam Blair, General Manager and Executive Golf Professional, contributed via email. It is apparent that all departments work closely together, communicating and leaning on each other, to produce a team effort.

"We are a family here."

Teachers Resources

Course Fit

Analyzing the marketing challenges presented in this case encourages students to conduct research into topics such as unique Indigenous businesses, marketing challenges, approaches to create strong brand identities, product selection, and tourism marketing. Students will suggest marketing strategies that take into consideration the factors outlined, to help Quaaout Lodge grow and succeed into the future. By analyzing this case, students will be exposed to the following marketing topics:

- Marketing Strategy
- Marketing Research
- · Competitive Advantage
- Brand Identity
- Brand Loyalty
- · Indigenous Business
- Tourism Marketing
- Positionina
- · Consumer Behaviour
- · Decision-Making Processes
- · Marketing Communications

The analysis opportunities given through this case fit any intermediate and advanced marketing course, whether graduate or undergraduate, assuming students have had exposure to basic marketing courses as well as specific marketing topics, such as marketing strategy, marketing research, and consumer behaviour.

Suggestions for Use

The information in this case is suitable for specific assignment questions in multiple marketing areas. Instructors using this case may provide students with their own questions, based on the topic of their courses and the content they have covered. Below are some suggestions for topics that can be covered through an analysis of this case.

Consumer Behaviour:

- · Apply Maslow's Hierarchy of Needs to this case
- · Apply decision-making concepts and steps to this case
- Apply attitude models to this situation and target audience
- Apply concepts of cultural values and reference groups to this case
- · Identify suitable subcultures to be targeted
- · Assess the significance of the cultural component
- Identify cultural influences on the behaviour of the lodge's customers

E-Commerce:

- Determine key performance indicators obtainable from web metrics
- · Assess consumer behaviour on the website
- · Research the objectives for an improved website
- Recommend website modifications based on values and objectives
- Research opportunities to tie into other e-commerce operations

 Evaluate and accommodate the use of mobile devices for bookinas

Advertising:

- · Identify and evaluate suitable print publications for advertising
- · Evaluate research on the effectiveness of radio advertising for Quaaout Lodge
- · Design an advertising plan and budget for social media ads
- · Investigate the necessary return on investment for a dedicated social media planner
- Investigate the costs and value of brochures
- · Identify trends in road-side advertising
- · Suggest incentives for referrals and word-of-mouth advertising

Tourism Marketing:

- · Suggest additional services that could appeal to tourists, locals, corporate, and wedding guests
- · Determine appropriate channels for marketing this accommodation option
- Determine trends that affect what activities and surroundings tourists choose in BC
- · Research the success of other tourism attractions with an Indigenous focus in BC
- · Investigate current trends in tourism marketing
- · Assess the intersection between the tourism industry and the wedding industry
- · Assess the benefits of working with tourism boards

Teaching Notes

Below, please find some select marketing ideas that students can be prompted to identify and research, especially if the case is used in a classroom setting:

- · Actively encouraging referrals with discounts and incentives
- · Working with the tour bus companies to create value for extended guest stays
- · Strengthen the connection to local artists and Elders to support the culture department
- · Establishing ties with other tourism attractions in the area
- Establishing new opportunities for outdoor activities
- · Using contact information, such as email, for direct marketing
- Expanding winter activities and promotions
- Targeting pet owners in promotions
- · Communicating and utilizing the lodge's environmental awareness
- Incorporate new trends in food, culture, and fine dining
- Address trends in wedding planning and design

Sample Instructions for Students

Considering the information given in this case study, your task is to apply marketing and consumer behaviour concepts to recommend a marketing strategy and approach for Quaaout Lodge. Please note that the goal is not to find out what was actually done but to research options, explain your decisions, and elaborate on your chosen marketing approach. The emphasis is on justifying your choices by utilizing your

knowledge of marketing theories and concepts as well as supporting your choices with academic sources.

Time frame: 2 years

Budget: CA\$ 25,000 per year

Components: SWOT, competitive analysis, marketing channels, marketing messages, timing/schedule, brand personality, target audience

The goal is to strengthen Quaaout Lodge's position in the tourism market, building on its strengths, unique aspects, and history. Restrictions and limitations should be considered when evaluating recommendations. Students should also focus on suggestions that create brand loyalty and form longterm relationships for Quaaout Lodge.

All recommendations should be based on a detailed analysis of the target audience(s). Key performance metrics should be recommended and justified. Benefits and challenges for any suggestions and recommendations need to be clearly stated. Students are expected to research marketing concepts, assess brand positioning, analyze competitors, and justify any longterm strategy modifications. Recommendations should integrate multiple marketing channels with a combination of mass communications—such as advertising, promotions, or events—as well as personal communications—such as direct marketing, word-of-mouth referrals, or personal selling.

1. Overview of the **Business**



Figure 1: Winter sun at Quaaout Lodge and Spa (CC BY-NC-ND 4.0)

Quaaout Lodge is located just outside Chase, BC in the Thompson-Okanagan region. The lodge is situated on the land of the Little Shuswap Indian Band that also owns the lodge. At this location in the Shuswap, the lodge is surrounded by lakes and mountains, making it a very unique venue. Only a 3-minute drive from the Trans-Canada Highway, it's a quiet, secluded world.

Quaaout means "when the light first touches the land." In the planning stages for the lodge construction, the Elders and the people came out in each of the seasons. They took wooden stakes and marked all the spots where the sun first touched the land. The lodge is built within those stakes.



Figure 2: Inside the lodge (CC BY-NC-ND 4.0)

The lodge was built "by the band, for the band." Band members can enjoy what the lodge offers, and it also provides employment to both band members and locals; band membership is not a condition of employment. The lodge relies on the community (e.g., working with Elders to educate the culture department), and the community relies on the lodge. Due to this unique background, Quaaout Lodge is able to offer traditional hospitality services but also distinctive Indigenous experiences and culture. Artwork and pictographs throughout the lodge showcase the connection to local Indigenous culture.

For the last 13 years, the grounds have featured a golf course. It was added when management felt that additional amenities were needed to draw guests to the lodge. A golf course was the most desired option and has proven very successful in increasing bookings.



Figure 3: Guest Room (CC BY-NC-ND 4.0)

As opposed to competitors, Quaaout Lodge allows pets and children. Environmental concerns are addressed by using biodegradable items in the guest rooms and spa, composting food and growing vegetables in the greenhouses to supply the restaurant. Natural products are used for cleaning.

Products and ServiceOfferings

Besides nightly hotel accommodation, Quaaout Lodge has multiple areas of services they focus on (also see Promotion).



Figure 4: Winter Day at Quaaout Lodge (CC BY-NC-ND 4.0)

Weddings keep the lodge very busy, with all Saturdays for the current year already fully booked as of January, and they are already taking reservations for the next year. Clients enjoy the fact that everything is in one place. There are many customizations and choices for the ceremony location and menus available, with the scenic location on the lake being a big draw. The lodge offers complimentary menu tastings and encourages wedding guests to book a two-night stay for

the opportunity to relax, while the bride and groom have two nights' accommodation already included in their package. Some couples even helicopter in!

Food offered at Quaaout Lodge is influenced by the Indigenous culture of the surroundings (e.g., bison burger). Prime Rib Friday is very popular, and guest chefs such as Ned Bell, a well-known Canadian culinary talent, have cooked at Quaaout Lodge. Wine tastings with featured wineries of the region complement the menu. A taste series runs through the winter, and the lodge offers Valentine's Day specials (e.g., fivecourse meal and night for \$199). A fixed-price, buffet-style Sunday brunch attracts customers from Kamloops and Salmon Arm, and there are special brunches for Mother's Day, Valentine's Day, and more.

Cultural services are accessible for every guest, including wedding guests. There are daily cultural activities they can sign up for, following the schedule posted on the website. For example, horticulture tours are offered to introduce visitors to foraging by seeking out wild potatoes, wild onions, garlic, and huckleberries in the surrounding landscape. A representative from the culture department can be found in the lobby to work with customers' requests. A traditional winter home, called a kekuli, is found on the property as well as a sweat lodge that has been rebuilt and is used for weddings. This is truly traditional to the Secwépemc culture, making it a unique experience.

Watch Video Clip 1 – Guest Experience (Transcript Available) (CC BY-NC-ND 4.0):



A video element has been excluded from this

version of the text. You can watch it online here: https://quaaoutlodge.pressbooks.tru.ca/?p=28

Members of the local band community can use the lodge (e.g., for swims) since there is no other pool in Chase. Overall, the lodge tries to share with guests the region, its history, and its natural offerings, rather than just the building. Other popular events include corporate retreats, Christmas parties, New Year's celebrations, strategic planning meetings—especially at the start of the year—and birthday parties. Locals come for spa services, though more often for the food. The surroundings many opportunities for hiking, fishing, snowshoeing, and watching the sockeye salmon run in nearby Tsútswecw Provincial Park.

IndigenousCommunityInvolvement

Built on the land of the Little Shuswap Indian Band by the band, the vision of the lodge upon its inception was that of hope for the band and its community. While all employees are welcome, regardless of band affiliation, the band did want to provide a channel for community members to learn the necessary skills to have long and prosperous careers, to have a place that they could use and be proud of, and to have an opportunity to share their stories with the world. It was the Elders' vision that created the lodge, and they are often consulted about decisions on activities, growth, and boundaries of sharing cultural heritage.



Figure 5: Materials provided at Quaaout (CC BY-NC-ND 4.0)

Indigenous culture radiates throughout the lodge, be it through the food offerings, the use of local products and traditions in the spa, or the activities offered. For example, the chef works with local foragers to include mushrooms and huckleberries found in the surroundings into the food creations. Local band members also contribute services and traditional expertise, such as selecting local teas and native herbs for the winter home. Immersion in the culture can include archery, drum making, paddle painting, and storytelling integrated into walking tours. Local and Canadian Indigenous artists also contribute to the room design (e.g., Manitoba Mukluks).

Watch Video Clip 2: Employees (Transcript Available) (CC BY-NC-ND 4.0):

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https://augaoutlodge.pressbooks.tru.cg/?p=31



Figure 6: Quaaout Lodge Foyer (CC BY-NC-ND 4.0)

Local community members are hired and trained in any

department they are interested in, such as housekeeping, front desk, or the kitchen. All employees, no matter their background, can take part in Secwépemc language classes, offered twice a week. This enables employees to greet visitors in the local language, in person, or via email. Employees are knowledgeable in the lodge history and significance (e.g., explaining pictographs). Employees can also take part in the storytelling in the kekulis or drum making.

4. Customers

Given the variety of offerings, Quaaout Lodge attracts a wide range of customers, from local Elders and seniors to brunch fans and staycation visitors. With the authentic cultural experiences offered, they are described as "explorers" by the management team. The sections below outline the main customer segments.

Bus Tours

Many bus tours have put Quaaout Lodge on their itinerary. Guests appreciate the Indigenous education opportunities, such as listening to stories in the winter home, singing songs, or cooking salmon over a fire. In the past, a one-night stay was typical as many tours turn around in Banff, Alberta. Quaaout Lodge has been encouraging the companies to increase their stay to two nights in order to provide these guests more daylight and time for activities, such as spa or golf, which are closed in the evenings. Guests also seem to prefer Quaaout Lodge over a night in Kamloops for the unique experience.

"And we get so many people that come through our doors that are here for less than 24 hours that don't want to leave. They want to stay longer because they want to experience more while they're here."

Other Groups

The lodge accommodates many travelling hockey teams in the winter as well as snowmobiler groups. Golf groups have arrived from Korea, India, and other international locations, often after discovering the lodge on a bus tour or as part of a Thompson-Okanagan or BC Golf Tour. First Nation bands also book frequently, either as groups or individuals.

Individual Travelers

Quaaout Lodge receives many repeat customers from Kamloops, Calgary, or other areas in Alberta, with many Albertans having seasonal homes in BC. Some have childhood memories of the Shuswap area and bring their families to experience the area. More and more, the "foodie culture" is attracted to Quaaout Lodge, due to the unique menu offerings.

Locals

The local community also uses the lodge, such as seniors joining the aquafit classes. Others enjoy the food menu at the restaurant (e.g., brunch, Prime Rib Friday). Local schools also visit the lodge from Kamloops, Chase, Sorrento, and so on, often involving storytelling or archery. Young families might go swimming and then eat lunch.

Watch Video Clip 3: Food (<u>Transcript Available</u>) (CC BY-NC-ND 4.0):



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https://quaaoutlodge.pressbooks.tru.ca/?p=32

Corporate

Many bookings are made for corporate retreats or strategic planning meetings. This often involves team building activities with a cultural aspect, such as drum making as a team. Participants frequently choose to add additional nights after a meeting.

Wedding

Wedding bookings are mostly made from Calgary residents or other areas in Western Alberta. Some local or Vancouver-based couples also make wedding reservations, as do residents from the United States, due to the favourable exchange rate and possibly with ties to the area.

What is consistent across all the customer groups is the desire to learn about the culture, to immerse themselves into the Secwépemc history and traditions, and to experience the activities offered.

5. Pricing

The lodge has been lucky to achieve a high occupancy rate. It is often fully booked in the summer, and even the winters are getting very busy with the weekends filling up (e.g., with snowmobile groups). It appears that the pricing encourages this success. The interviewees stated that they are comfortable with the current pricing, and even though they monitor the competitors, they have not felt the need to make drastic changes, despite selling out often. A slight price increase was initiated after renovations in 2019, but prices still appear affordable enough to allow a large market to visit.

Price examples for 2020, before tax, include the following:

2 nights, weekend	March	\$338
1 night, midweek	February	\$149
2 nights, weekend	July	\$558
1 night, midweek	September	\$199

Packages such as weddings, bed and breakfast, golf, or spa are often flexible with regards to pricing and attracting various customer groups (e.g., reduced spa packages in the winter or summer golf packages). The price for weddings increased for 2021 bookings, and a review of the effect will determine 2022 prices. The off season has reduced rates, and rooms are discounted if booked for two nights. Some effort is made to encourage customers to book higher-priced rooms (e.g., jacuzzi rooms) or packages, either through promotions, during bookings, or at check in.

Currently, no loyalty program is offered. Discounts for locals

are being discussed, such as offering reduced accommodation prices or food if paying for golf. Snowmobilers can receive a discount when they visit certain popular snowmobile areas.

6. Competitors

The management team at Quaaout Lodge does review competitors' offerings and pricing on a regular basis. Research is critical; however, mostly it has confirmed the decisions made at the lodge about offerings and prices.

As an example, Sparkling Hill Resort & Spa, located in Lake County north of Kelowna, is a competitor, specifically for the wellness aspect. Prices are higher, and the resort does not offer weddings nor does it allow pets or kids. Other competitive considerations are Sun Peaks Grand or resorts in the Banff area for bus tours. Local venues are available for weddings but do not offer all in one place as a package (e.g., ceremony, food, accommodation, and activities).

Participants in corporate retreats often want to be in a city to take advantage of "things to do," and Quaaout Lodge is secluded. Therefore, the lodge is appropriate for the right corporate meeting and not so suitable for others.

7. Promotion



Figure 7: Product provided at Quaaout Lodge (CC BY-NC-ND 4.0)

This section attempts to summarize how Quaaout Lodge has approached the promotion and marketing of their products and services. It also provides information on planned or anticipated necessary changes. Overall, the main focus for the lodge's message is the authentic Secwépemc culture. The lodge was built to share this culture; it is unique, and it is an experience. Factors that penetrate most marketing messages also include the amazing views, the artwork, and the pictographs.

For their promotional planning, the lodge uses a combination of employees and the help of tourism boards. Representatives of Quaaout Lodge are members of the Thompson Okanagan Tourism Association (TOTA), the Indigenous Tourism Association of Canada (ITAC), and work with Tourism Kamloops, Shuswap Tourism, Destination BC, the North Shuswap Chamber of Commerce, the Chase Chamber of Commerce, and Shuswap Arts. Members of the management team also travel to a variety of trade shows, such as wedding shows, industry conventions for tour companies, and the International Indigenous Tourism Conference (IITC).

Watch Video Clip 4: Clients and Market (<u>Transcript</u> <u>Available</u>) (CC BY-NC-ND 4.0):



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https://quaaoutlodge.pressbooks.tru.ca/?p=37

Probably the most effective channel and approach to promote the lodge is word-of-mouth referrals. For example, previous wedding guests spread the word about their experiences, golfers may recommend the lodge for a retreat, or tour companies approach the lodge based on comments from their customers or other tour companies' social media channels. While this has worked extremely well, the lodge does not encourage referrals with incentives.

"We always hope that our guests' experiences are so wonderful that they share with the masses."

Significant effort goes into using social media for promoting packages. Facebook and Instagram are used to interact with

past and future customers, going beyond just posting pictures and news. Twitter has also been used but not extensively. YouTube has not been utilized except for some recordings of the cultural activities.

Plans are to use Twitter more and possibly expand to using Pinterest as well. To facilitate this expansion, 2020 will see a dedicated employee for social media promotions. This should assist in substantially increasing the social following. The lodge also plans to incorporate more videos (e.g., of cooking or drum making) into their social media messages.

Past golf customers are kept up-to-date with a newsletter, and past food event participants are contacted about promotions. Improved communication with corporate customers is being worked on, such as explaining the options for cultural activities and team building with an Indigenous background. While the website has a section for corporate events, social media is mainly used to reach potential business customers, in addition to trade shows and word-of-mouth referrals from previous guests.

Currently, the general manager is also facilitating a website redesign, since the current website does not properly answer customers' questions about the experiences the lodge offers nor does it provide information about the recreational opportunities of the whole region. A web design company is working with the general manager to identify shortcomings and needs.

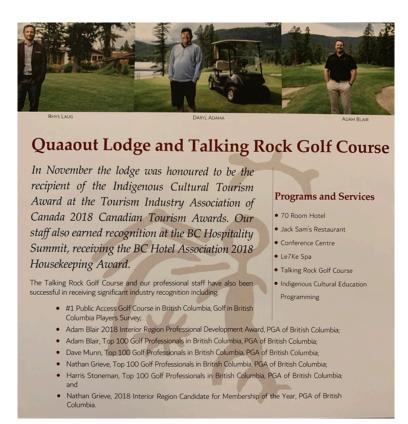


Figure 8: Materials provided by Quaaout Lodge (CC BY-NC-ND 4.0)

In addition to the previously discussed channels, posters are also used locally, especially within the Little Shuswap Indian Band. In 2019, some radio ads were used in Kamloops as well as newspaper advertising. However, it was found that social media provides much more value than radio or newspaper ads, even though reduced local newspaper advertising will continue.

Quaaout Lodge has created brochures that are taken to trade shows and wedding fairs. They can also be found in visitor centres around the province. However, since offerings such as food or spa services are seasonal, static media like brochures are not ideal.

On the highway alongside Chase, signs can be found facing both directions, including a reminder 10 kilometres before the turnoff. They feature a golf theme, and while "off the highway" traffic isn't significant, it does happen.

The success of this varied promotional approach is hard to measure. The general manager keeps track of Facebook and Snapchat metrics but also acknowledges that more effort is needed to analyze customer purchase history and spending habits to better target the marketing messages and spending. Testimonials from Tripadvisor, weddings, or other special events are read, collected, and responded to. There are feedback cards in the guest rooms as well. Many reservations are taken over the phone, and while visitors are asked where they heard about the lodge, consolidation and analysis of this information is difficult.

In the words of the general manager:

"Budget constraints limit our ability to really have a significant reach beyond our local region. [Finding] experienced marketers that know how to really speak to customers on a low budget is also a challenge, but we have begun the steps of training our current team."

8. Looking Ahead

Quaaout Lodge is planning for the future by incorporating trends and developments into their offerings. This includes the following:

- Offering gluten-free meals, vegan options, detox foods, and accommodations of other dietary restrictions
- Expanding the wellness and outdoor aspects to focus on relaxation, yoga, massages, hiking, and being connected to nature.
- Adding activities that include paddle boards, personal water crafts, and regular exercise classes during the week
- Customizing options for weddings, such as craft beer or local wines
- Expanding art offerings to include beading or pine needle basket workshops
- Accommodating visitors wanting to get away from technology into quiet surroundings
- · Offering locals new experiences, such as trying archery
- Addressing the need for corporate retreats that include unique activities
- Possibly expanding the golf course

While already being a focus, the lodge has plans to expand the culture department and its activities, including meetings with Elders, improved consultation with the local community, growing the Indigenous culture aspect, and contracting members of the community.

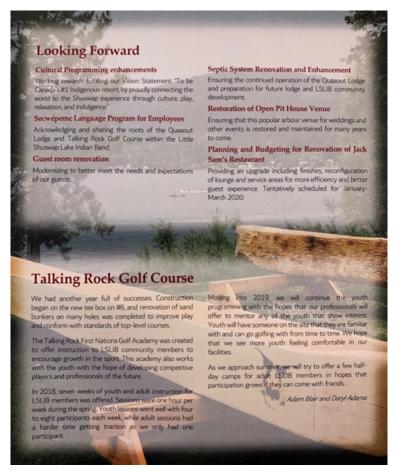


Figure 9: Materials provided by Quaaout Lodge (CC BY-NC-ND 4.0)

A continuous challenge is staffing, even though the lodge has many long-time employees (e.g., a night janitor has been there since the lodge opened!). With limited staff accommodation available, it has been difficult to find employees within driving distance, since the lodge is a 30- to 45-minute drive from Salmon Arm and a 45- to 60-minute drive from Kamloops. Students are temporarily employed during the summer, often as a stepping stone for those beginning tourism careers. Efforts have been made to establish an employee share program, such as sharing housekeepers with the Mustang Powder heliskiing operation or with hotels at Sun Peaks. Shuttle options are also being discussed.

Resources and Credits

Resources

Information included in this case study was collected during a personal interview with Quaauot Lodge employees Alexandra and Cammeo Goodyear; in addition, written communication from General Manager Adam Blair has also informed the details of this case study. All quotations listed in this case study are from the interview with Alexandra Miege and Cammeo Goodyear at Quaaout Lodge in Chase, BC on January 14, 2020, as well as from the contributions made by email from Adam Blair.

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Credits

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