



ALASKA
NATIVE
HERITAGE
CENTER

Social Enterprise Business Plan

December 22, 2021

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Executive Summary

The Alaska Native Heritage Center was established in 1987, and envisions “thriving Alaska Native people and cultures [that] are respected and valued.” The center is driven by ten core values, which act as a compass in all its decision making. The center provides many programs and services. This business plan focuses on the social enterprise activities at ANHC, namely its **admissions, facility rentals, cultural awareness workshops, and its gift shop.**

This business plan presents current operations for each revenue stream, and identifies opportunities for growth, with the ultimate goal of enabling the social enterprise services to become financially self-sustaining. The following are core recommendations aimed at accomplishing this endeavor:

- 1. Increase Prices:** Consider increasing the sale price of admissions to \$38.00 - \$40.00 per person. For cultural awareness workshops, consider increasing the prices to \$150.00 per person. Market tolerance is an important question, but increasing prices to these amounts does not appear to be out of the question compared to the competition and would enable these revenue streams to break even. For add-ons like meals for large tour groups, price the addition so that there is always a profit generated by the activity. For example, consider charging large tour groups 25% more for catering services than what is paid for the catering itself, so that additional profit margin can be realized.
- 2. Increase Market Share:** To increase revenues, a robust marketing strategy has the potential to significantly increase sales. See specific recommendations found in the marketing strategy and core marketing messages section. Marketing the full breadth and depth of the experience at ANHC will also support an increase in admission price. Continue to improve ANHC’s SEO and add search terms for facility rentals, dance performances, and Native games. Ensure every customer visiting the center knows about the gift shop and how to purchase online after their visit, and consider auto-enrollment options for all admissions and gift store customers in an email newsletter.
- 3. Digitize:** Improve the customer experience through an online payment system that will allow customers across all four revenue streams to pay online. Ideally, the booking system would be integrated with the Point of Sale system. It is essential that web traffic is driven to the website for conversions such as newsletter sign-up, purchases, and announcements. Optimizing for conversion across all web platforms is essential for a smooth customer experience (facebook ads, instagram, google my business/google maps, yelp, etc.). Additional automation includes online booking consultations for CAW and facility rental inquiries and invoicing, and move customer comment cards to an electronic

survey. Further automation could include addition of electronic devices to the entryway to enable customers to purchase tickets electronically themselves, and to fill out comment cards on their way out, and signs with QR codes for comment cards that visitors can do independently. Digitizing could not only increase revenues but also decrease staff time spent on client management and data entry.

The center is poised to transition its business model to a more self-sustaining, revenue generating social enterprise as it solves key challenges around increasing profits and decreasing expenses.

Section 1: The Foundation

Background/History

The Alaska Native Heritage Center (ANHC) was established in 1987, when it was created through a unanimous vote at the Alaska Federation of Natives convening that called for the establishment of a statewide Alaska Native culture center. In 1989, ANHC was officially incorporated as a 501(c)(3) non-profit organization, and they opened their doors to the public in May, 1999. ANHC's mission is to preserve and strengthen the traditions, languages, and art of Alaska Native People through statewide collaboration, celebration, and education. The organization envisions "thriving Alaska Native people and cultures are respected and valued."

Now in operation for more than 20 years, the center is poised to innovate and grow. With leadership at the organization changing shortly before COVID, the impact of the pandemic on the tourism industry, and shifting funding mechanisms, the organization is operating through a time of transition. As the most viable revenue streams are tested over the next couple of years, ANHC will be able to continue to solidify and grow their organization moving forward.

Values

As a statewide organization, ANHC is guided by the 10 universal values developed by the Alaska Native Knowledge Network. The 10 universal values are as follows:

- Show Respect to others
- Share what you have
- Know who you are
- Accept what life brings
- Have patience
- Live Carefully
- Take care of others

- Honor your elders
- Pray for guidance
- See connections

These values resonate throughout the organization in meetings, communications, operations, and planning processes. They show up in the organization's culture on a daily basis, as many activities are direct embodiments of the values listed above. From health and wellness programming, to community partnerships, to educational and cultural tourism work, ANHC espouses these values to its staff, partners, and visitors alike. Examples of these values being implemented in the daily operations of the organization include having an Indigenous customer service training manual for staff and implementing policies and procedures such as 2 weeks of paid leave for staff caring for Elders or other family members with COVID.

ANHC also embodies these values and their place as a leader in cultural tourism in Alaska by hiring Alaska Native staff members whenever possible. ANHC is led by Keneggnarkayaaggaq Emily Edenshaw, who serves as President and CEO. Of the directors, 75% are Alaska Native and the entire board of directors is Alaska Native, representing a breadth of tribes throughout Alaska. With the high emphasis ANHC places on cultural education for staff, many Alaska Native young adults are drawn to the center because of their opportunities to enrich their own cultural knowledge. Additionally, many partnerships are forged with other leading organizations in the Alaska Native community, such as CIRI, CITC, Southcentral Foundation, ANCSA Regional Association, Alaska Pacific University, and many others. With each of these partnerships, ANHC employs their values to build deep relationships that grow culture, community, and connection.

Community

The Alaska Native Heritage Center serves and represents all Alaska Native Indigenous cultures. With more than 200 recognized tribes in the state, ANHC operates by organizing these groups into the five traditional territories of the Athabaskan, the Inupiaq and St. Lawrence Island Yupik, the Yup'ik and Cup'ik, the Unangax and Alutiiq (Sugpiaq), and the Eyak, Haida, Tsimshian, and Tlingit. ANHC strives to strengthen and perpetuate each of these communities.

The Alaska Native community's vision for cultural tourism is to educate, inform, and interpret Alaska Native cultures for a broad public audience to create a strong impression of compassionate understanding about the vibrant and diverse Alaska Native peoples. The business serves as a representative of the statewide Alaska Native community, speaking for and informing about all cultures in the state. The organization

is a cultural center that welcomes more than 40,000 visitors per year, in non-pandemic circumstances, and therefore has a fairly broad audience that visits from around the world.

ANHC's work is responsive to the needs and vision of the Alaska Native communities, and they actively engage in a two-way dialogue about how to best serve and represent the cultural tourism interests of the Alaska Native community through several different channels, including Cultural Advisory Committees, planning and development sessions, and through generalized outreach and communications. ANHC has five Cultural Advisory Committees (CACs), with one council for each of the five traditional territories previously mentioned. Each committee has multiple members, and committee members are compensated through honorariums in respect for their time. The committee members are often Elders or culture bearers of tribes in the region they represent. The committees reflect and give feedback to ANHC on their activities, and they act as a guiding force on the direction of the organization. Often, it is through the CAC's that Elders and other community members can inspire new ideas, that ANHC then puts into action.

ANHC lives their value of taking care of others by finding many ways to give back to Alaska Native community members. As a living culture center, Alaska Natives are encouraged to come and engage in language, song, dance, arts, and other cultural programming throughout the year, with free admission. ANHC is also a fiscal agent to receive funds and deliver programming, which often hires Alaska Native community members and provides them with programming or events. Some of this programming includes ANHC's cultural tourism staff programming, their partnership with the Alaska Art Alliance, a newly established women's cultural healing center, a travel-based program to help Alaska Native youth reconnect with their cultural identity, health and wellness programs for young adults to help combat suicide and substance misuse, master artist classes, and other special events and programming.

As these activities demonstrate, ANHC engages in a reciprocal relationship with Alaska Native communities, and bases all of its decision making on the perpetuation of these communities.

Culture

ANHC represents all Alaska Native cultures to visitors and guests. ANHC has been an advocate for cross cultural communication, building cultural knowledge, and creating space and activities to generate strong knowledge and benefits for community members who come to learn about Alaska Native cultures.

Some norms that exist are the regular programming aimed at educating visitors, respect for culture bearers and knowledgeable community members, as well as numerous protocols that are both determined and unspoken regarding the stewardship of culture in the organization. The CACs and other culture bearers are turned to for permission, council, and guidance on everything from storytelling to historical accuracy to language.

ANHC believes that it is critical to involve Alaska Native community members in order to properly engage and steward Alaska Native culture on a state-level. As stewards, ANHC engages with Alaska Native community members through numerous outlets. They have an in-house community engagement manager who helps spread the word about programs and gathers input about things happening in the community. In addition to the individual who works to liaise with the community, ANHC has longstanding partnerships which facilitate the development of projects through collaboration. The development team works to ensure that relationships with partners are very communicative so that new projects can have folks involved from conception to funding to execution.

Environment

Stewardship of the land and resources one relies on is a value held by Alaska Native tribes since time immemorial. ANHC is acting on this value by analyzing its inputs and outputs, and future actions it can take to be a more sustainable and thoughtful user of natural resources.

ANHC utilizes the following inputs:

- **Utilities** (water, electricity, waste): this is the largest natural resource input, with utilities supplied by the city. Utilities provide heat, water, and electricity to the 26 acres and buildings owned by the center.
- **Supplies:** everything from paper products to display materials for the museum, these supplies are one of the primary sources of inputs for the center.

ANHC generates the following outputs:

- **Facility maintenance waste:** maintenance, repairs, and enhancements to the ANHC facilities.
- **Paper waste:** flyers, handouts to admissions visitors, paper towels, etc.
- **Food waste:** especially single use plastics from catering at events or group tours.
- **Equipment waste:** computer and other electronic equipment that is replaced over time.

- **Gift shop shipping waste:** waste produced by the inflow and outflow of retail items through the gift shop, including plastic and paper shipping materials and plastic bags.

ANHC is in the process of conducting an energy audit and looks forward to identifying the most impactful steps they can take moving forward to minimize their natural resource consumption.

Recommendation: Seek opportunities for grant funding to transition the facilities to solar or other renewable energy sources. Also, if not currently in action, add recycling and composting bins to the lunch area, and recycle as many outputs as possible. For the Gift Shop, utilize recycled materials in packaging, bagging, and shipping, whenever possible. Many innovative vendors exist for these products. As these steps are taken, create SOPs to easily measure the rough amount of recycled goods, or energy from renewable sources and share this in ANHC's marketing and internal communications.

Section 2: The Opportunity

Value Propositions

With four unique services offered to visitors and clients, ANHC has four distinct value propositions, one for each of its services.

Admissions

Visitors to the Alaska Native Heritage Center seek an authentic and immersive understanding of Alaska Native history and culture. They want to experience it. ANHC solves this need for their customers by not only offering Alaska Native museum exhibits, but by also providing live Native games, dancing, village sites, videos, cultural activity demonstrations, working artists, and more.

Facility Rentals

Customers are looking for a beautiful outdoor space and/or indoor spaces for events ranging from 10 - 1200 attendees, and often seek a space that highlights Indigenous culture. They look for the ability to have meals catered, the addition of dancing or Native Games performances, and the unique atmosphere of the Alaska Native Heritage Center. With the pandemic, many also specifically seek a large covered tent to host events outside. ANHC provides solutions to each of these needs by renting out their facilities.

Cultural Awareness Workshops

Clients seek a deeper understanding of Alaska Native culture, history, and improvement of their cross-cultural communication skills in order to build relationships and work with greater sensitivity and understanding in Alaska. ANHC solves this need through their Cultural Awareness Workshops, where clients actively learn from Alaska Native facilitators and Elders for anywhere from a half day to two full days, or more customized scheduling. Each workshop is tailored to the unique needs of the client, by allowing the client to choose from a variety of topics. Workshops are offered in-person and online via Zoom for up to 25 people per session.

Gift Shop

Customers seek unique, beautiful, inspiring, and educational Alaska Native art, jewelry and books to share a physical representation of their experience at the center, in Alaska, or of their support of Alaska Native cultures. ANHC's Gift Shop provides a curated selection of Alaska Native pieces from around the state to visitors of the store. The gift shop serves both visitors to the center in the summer months, as well as by opening for a holiday market in the winter. In the near future, it will also sell online to Alaska Native enthusiasts around the world.

Recommendation: Managers can use the value proposition for each revenue stream as a test for changes and additions to how each service is delivered. Will additions better solve the need or problem brought by the client?

Target Markets

Each revenue-generating activity has a target market with several primary customer segments:

Admissions

- 1. Visitors to Anchorage:** Pre-pandemic, Anchorage typically received 2-2.2 million visitors per year, according to ATIA/McDowell Group Summer Visitor data. Most of these visitors are from outside of Alaska, and come to Anchorage for a destination vacation, where they participate in outdoor activities, visit museums, shop locally, and learn about Alaska Native culture.
- 2. Anchorage Community:** The local community is also an important market for ANHC. Admission to the center serves to educate, immerse, and entertain local residents as it does visitors. Sub-groups of particular note are service members and families of the Joint Base Elmendorf-Richardson military facility, which is located close to the center, school groups, and other community members that have more recently relocated to Anchorage.
- 3. Group Tour Vendors:** There are two distinct sub-groups in this customer segment. Small to mid-sized businesses that provide tour experiences seek authentic Alaska Native cultural activities as part of single to multi-day tours.

They are looking for an affordable 2-3 hour experience that will impress their customers, who are visiting Alaska either as part of a group or by cruise ship. Additionally, larger companies are looking for experiences for groups of 100 - 150 as part of a multi-day tour or cruise. They are looking for very affordable, local, cultural experiences that can accommodate their group size and pricing.

Facility Rentals

- 1. Special events for private parties:** Many groups book the center for special events, such as wedding receptions, retirement parties, or celebrations of life. They are looking for an event space that is beautiful and brings a unique Alaska Native cultural element to the experience. Private parties are often located in Anchorage but can be from anywhere. They often purchase a Native Games demonstration or dance performance as an addition. This customer is looking for a unique, beautiful, and supportive location to host their event, appropriate amenities for their type and size of event, and the right price point.
- 2. Organizations:** The facility is rented by corporations, non-profits, and event planners for large conventions, conferences, fundraising events, and corporate training or annual meetings. These organizations can be located anywhere. As such, they often also purchase private tours, storytelling, or other engagements with cultural experts or presenters. This customer is looking for a special touch of Alaska Native culture, a space of the appropriate size, and amenities needed for their meeting space.

Cultural Awareness Workshops

- 1. Organizations working in rural Alaska:** Customers that purchase the Cultural Awareness Workshops are typically Alaska-based organizations with more than 50 employees (often who are from outside of Alaska) working in rural Alaska, without past experience in rural Alaska Native communities. The organizations seek to enable their employees to work in a respectful, culturally-sensitive manner. These organizations are looking for Alaska Native cultural training that can be offered either virtually or in-person, with some tailored curriculum for the specific needs of the organization.

Gift Shop

- 1. Visitors to Anchorage and ANHC:** The majority of customers in the Gift Shop are visitors that purchase admission to the center and participate in its activities. After experiencing the center, customers are those visitors that wish to bring part of their experience home with them, shop for gifts for others, or that wish to support Alaska Native artists and other community members through their purchase.

- 2. Anchorage Community:** The local community is a secondary market for the Gift Shop. Customers are those that visit the center or that wish to purchase the unique Alaska Native products offered there.
- 3. Alaska Native Artisan Enthusiasts:** Individuals who are passionate about high-quality, authentic, Alaska Native artisan products can purchase items on the gift shop’s website. These individuals can be located anywhere, and their driving interest is in the unique, quality, authentic Alaska Native items on offer.

More generally, one of the primary groups the center seeks to serve is Alaska Native community members themselves. Through free admission, job opportunities, cultural activities, and programming, the center strives to deeply connect Alaska Natives with their culture. As non-revenue generating beneficiaries, they are not listed as a target market. However, all business activities of the center should be engaged in with the ultimate goal of serving this population in particular.

Competition

Admissions

- 1. Visitors to Anchorage:** Visitors to Anchorage are interested in an experience that immerses them in Alaska, showing particular but not exclusive interest in Alaska Native culture. To that end, ANHC’s competition will not be clear, direct, competitors, but rather a variety of other experiences that visitors to Anchorage engage in. Some of the most popular experiences visitors engage in include:

Competitor	Price	Length	Activity Type	Why do customers choose them?
<u>Alaska Railroad</u>	Route dependent Adult/Child \$55/\$28 - \$393/231	1-12 hours	Train ride, wilderness/ wildlife viewing, day trip excursions, event trains	Train experience, views, access to Denali
<u>Alaska Wildlife Conservation Center</u>	\$13-17, free to children 6 and under	2-3 hours	Guided tours, wildlife encounters (bear, moose), virtual tours	Alaskan wildlife, conservation education
<u>Wilderness, Wildlife and Glacier</u>	\$130-999, usually \$180-350	2 hours - multi-day (usually	Exploration of wilderness, insights about	Sights, hassle-free pick up, active

<u>Tours</u> (multiple operators)		4-8 hours)	flora and fauna	lifestyle, interest in ecosystem
<u>Alyeska Aerial Tram</u>	From \$35	1-4 hours	Skiing (winter), hiking/biking (summer), views	Sights, active lifestyle
<u>Anchorage Museum</u>	\$10-20, free to members, First Fridays, and children 5 and under	1-2 hours	Permanent and rotating exhibits, talks and tours, classes and workshops, special events, space rental	Alaska's largest museum, robust Smithsonian Affiliate, features Alaska Native cultures and artistry, community events, museum store, unique space, location in downtown Anchorage

2. Anchorage Community: Locals seeking an educational experience may be more likely to turn to the many museums in the Anchorage area. Top choices include:

Competitor	Price	Length	Activity Type	Why do customers choose them?
<u>Anchorage Museum</u>	\$10-20, free to members, First Fridays, and children 5 and under	1-2 hours	Permanent and rotating exhibits, talks and tours, classes and workshops, special events, space rental	Alaska's largest museum, robust Smithsonian Affiliate, features Alaska Native cultures and artistry, community events, museum store, unique space, location in downtown Anchorage
<u>Alaska Veterans</u>	\$3, free to members	<1 hour	Exhibits include Patriotic Can Labels,	Intimate experience, interest in Alaska's

<u>Museum</u>			Found on Attu, WWII, and Romantic Labels. Oral histories. Note: Temporarily closed, will reopen at new location Feb 2022.	military history
<u>Alaska Aviation Museum</u>	\$10-17, free for members and children under 3	1-2 hours	Exhibits, interactive displays, event space rental	Proximity to airport, interest in Alaska aviation history, memorable backdrop for events
<u>Roundhouse at Alyeska Museum (and Tram)</u>	\$35 for tram ride, free entry to Roundhouse Museum	<1 hour	Exhibit, access to remote areas of Alyeska resort, speaker and artist visits, panoramic views	Panoramic views, tram ride, interest in Girdwood Valley and local history
<u>Alaska Jewish Museum</u>	\$5-10, free for members and children under 3	<1 hour	Exhibits, special events including films	Interest in Alaskan Jewish history and culture, film festivals

Facility Rentals

There are many options for facility rentals in the Anchorage area. When it comes to facility rentals, for both special events and organizations, the following competitors in Anchorage are regularly utilized. It is worth noting that the majority of these vendors do not share pricing directly on their website or with customers prior to an initial intake conversation, where they aim to understand the client's needs and offer a rental option within the client's budget.

Competitor	Price	Features	Facility Type	Why do customers choose them?
<u>BP Energy Center</u>	Free during business hours	Up to 120 guests (theatre	Conference, classroom and	Free of charge for eligible

	Mon-Fri; up to \$400 for full-day weekend. Note: currently closed to public	seating)	event space. Constructed in 2020, administered by Alaska Community Foundation	groups; newly-built facility; beautiful natural setting
Anchorage Museum	Note: currently on hold in response to COVID-19.	Space available after the museum is closed. Catering, piano, tech available.	Atrium (220-500); Muse (85-110); Gallery (70-100); Auditorium (220); Planetarium (38) (capacity)	Central downtown location; beautifully remodeled
Alaska Pacific University Conferencing Services	Daily rates range from \$250-800	Services cover 7 venues around Anchorage for events from 15-250 people; catering services provided	Seminar rooms, board rooms, lecture halls, galleries and auditoriums	Variety of venues available; can tailor to event needs
Bayshore Clubhouse	Daily rates range from \$1,375-3,975	Chalet room accommodates up to 150 guests; outdoor deck and lakeside location; dance floor	Event space primarily for weddings and other social events	Part of a homeowners association; LGBTQ+ friendly
The Megan Room	Daily rates from \$850 weekdays; \$1,100 weekends; \$1,500 holidays	Up to 115 people, various arrangements; kitchen	Lecture rooms, banquet hall, mid-sized conference and event space	Convenient central location with parking; outdoor space; good space for groups of different sizes

Alaska Aviation Museum	\$175-575/hour	4 different spaces; 40-300 people	Primarily for weddings and social events	Large capacity; unique location and venue, including a 747 jet available for rental; beautiful setting on Lake Hood
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Cultural Awareness Workshops

For the CAW workshops, customers looking for training in working in a culturally sensitive manner may also be interested in the following workshops:

Competitor	Price	Workshop Length	Topics Taught	Why do customers choose them?
E3 Alaska	Pricing not available	Customizable	Communication skill-building; community values; situational awareness	Flexible, customizable trainings can be tailored to clients' needs
Fairweather Science	Pricing not available	From 15-minute video with optional testing, to in-person custom workshops	Cultural issues; land access rights; traditional values. Primarily Arctic-focused	Specifically for scientific work, e.g. research, monitoring, etc.
U.S. Fish and Wildlife Service's Alaska Native Relations course	Pricing not available	32 hours	Alaska Native history, relationship between Federal laws and Alaska Natives, Traditional	Well-established and highly-regarded, however dates not flexible

			Knowledge, subsistence lifestyles	
First Alaskans Institute's Alaska Native Governance Protocols or Dialogue on Racial Equity	Average \$8,700 for a 2-day dialogue; mission is more important than fees; can negotiate cost based on budget.	Up to 2 days	Governance structures and policies, best practices for engaging tribes and rural communities; facilitated conversation on Indigenous rights and racial inequality	Clients can co-create agendas to achieve desired objectives; focus on dialogue; interest in racial equity training
Identity Sensitivity Training (LGBTQ+ training)	Pricing not available	Customizable	Intro to sexual and gender identity and expression; health issues in LGBTQ+ populations; best practices and policies for inclusiveness and safety for LGBTQ+	Specifically related to sexual orientation and gender identity in the workplace. Note: trainings currently on hold due to low staffing capacity

Gift Shop

Given ANHC's target markets of primarily visitors to Anchorage or Anchorage locals, most of the Gift Shop's competition is likely to be other Alaska Native and non-Native gift shops in the Anchorage area, with some competition from non-Anchorage-based gift shops for those devoted global customers of Alaska Native artwork:

Competitor	Price range	Location	Ecommerce website?	Product Types	Why do customers choose them?
Anchorage Museum Store	\$1-3,000	Anchorage (Downtown)	Yes	Art, apparel, books, jewelry, books,	Wide range of products; not exclusively Alaska Native

				Alaska Native art	art/jewelry
Oomingmak Musk Ox Co-op	\$45-650	Anchorage (Downtown)	Yes	Apparel, yarn	Large collection of rare musk-ox wool items; supports a cooperative of over 250 Alaska Native women
Alaska Art Alliance	\$40-10,000	Anchorage (Downtown)	No	Hand-carved goods made of ivory, wood, etc.	Specialize in carved goods; carving space for artists
AFN's Alaska Native Arts and Craft Fair	\$5-9,000	Various; Annual art fair at AFN conference	Held virtually in 2020 via Collective49	Alaska Native arts, crafts, apparel, jewelry, etc.	Typically held in-person during annual AFN conference; convenient for those participating
Alaska Native Medical Center's Craft Shop and Native People's Bazaar	\$5-8,000	Anchorage (ANMC Hospital)	No	Alaska Native arts and crafts from all regions	Located at ANMC; social enterprise
Collective 49	\$3-15,000	Online only	Yes	Alaska Native arts, crafts, apparel, jewelry, etc.	Online artists cooperative; wide range of products
Sealaska Heritage Institute's Gift Shop	\$1-15,000	Juneau	Yes	Specializes in Southeast Alaskan Native arts and crafts	Online store, location in Juneau, focus on Northwest Coast art

Recommendation: Especially when considering raising prices, evaluate competition's products/services and marketing. What are they excelling at, and are there some changes that could be made to increase ANHC's sale price? For example, if ANHC wants to increase summer admissions to \$35 per adult, how are the Alaska Railroad and the Alyeska Tram marketing the tours to justify the price point?

Product and Services & Comparative Advantage

With more than 20 years of experience, ANHC has a longstanding reputation as a community center and cultural tourism provider. They are leading the conversation on cultural tourism for the state of Alaska, and have a strong network of partners throughout the state. Their community activity, history, and name recognition point many to come and experience their products and services.

Admissions

Admission to the Alaska Native Heritage Center is typically available Tuesday - Saturday, from 9:00 AM - 5:00 PM from May 15 - September 15. By purchasing admission to the center, visitors receive access to the following services:

- **Introductory Video/Presentation in the Gathering Place (10 min.):** Visitors typically begin their time at the center with a short introduction to the Alaska Native tribes, the purpose of the center, and an overview of the activities available to them at the center. This is currently done by one of the staff members, but it is anticipated that a film will be created in the near future featuring Alaska Natives from each tribe throughout Alaska to give a broader experience for viewers.
- **Alaska Native Games demonstration (45 min.):** A presentation by 4-5 staff members of a variety of traditional Native Games. Three demonstrations occur per day on average. Additional performances are given to private tour and event groups.
- **Dance performance (45 min.):** The performance features dancing, drumming, and singing of traditional songs by 4-5 staff. Three performances occur per day on average. Additional performances are given to private tour and event groups.
- **Access to the Village Sites (1 - 1.5 hrs.):** A lead guide takes visitors on regularly scheduled tours of the village sites outside of the main building. There are 5 village sites, each with a replica of a traditional building for the Alaska Native tribe the village represents. The tour guide will take visitors inside each of the villages, where there are artifacts such as kayaks, skins, tools, and baskets made by that tribe. The tour guide will explain each and their significance and will give the group time to experience and enjoy the space, and to ask questions.

The tour of the villages typically lasts between 1 - 1.5 hours. Visitors are also encouraged to enjoy the sites independent from the tour.

- **Working Artists:** Alaska Native artists are invited to bring their work (both working projects as well as finished, for sale products) to the Hall of Cultures and to set up a table where they can sell their work to visitors, display their process for creating their work, and engage with curious visitors.
- **Events in the Theatre:** The theatre is used both to display educational videos on Alaska Native culture, and as an event space. Presentations and panel discussion on exciting and relevant topics are held during open hours, which visitors can engage in as part of their experience, or which bring their own visitors to the center. The length of these activities varies depending on the event.
- **Cultural activity demonstrations:** ANHC invites Elders and Master Artists to come and teach subsistence activities, traditional crafts, and storytelling to younger staff members. Visitors to the center have the opportunity to watch these educational opportunities and are also encouraged to try out dancing and Alaska Native Game activities by engaging with staff in-between performances.
- **Curated Museum Collection:** Visitors can tour the Hall of Cultures, which displays artifacts from each of the five Alaska Native cultural groups. It also displays quotes and stories about the history of their tribe pre- and post-colonization, sharing the implications of statehood from their lived perspective and experiences.

As these activities demonstrate, the experience for visitors to Anchorage and locals alike is highly interactive and can easily engage visitors for 3 - 5 hours, for an average cost of \$30.85 per person (admission prices vary, see pricing list in section 3). ANHC focuses on employing Alaska Native youth and Elders, who compose the staff these visitors engage with. By doing so, not only do visitors engage in an authentic cultural tourism experience told by the Indigenous groups the stories are about, but ANHC brings about the fulfillment of its mission of preserving and perpetuating Alaska Native culture.

Recommendation: Advertise the admissions events as a 3-5 hour experience in the summer. Use ANHC's core values as messaging strategies in marketing efforts. Provide clear descriptions of all the activities to enable visitors to see that the price is justified by all of the activities they can engage in.

Admissions - Private Group Tours

Tour operators that would like to include ANHC as part of their own tours are able to book groups at a discounted rate with ANHC. Each vendor works directly with ANHC to create a curated experience for their guests, combining a private tour with the other previously mentioned events and activities at ANHC. Additionally, groups are also able to purchase a catered meal through ANHC as part of their experience. Tour operators

choose ANHC because they want their guests to experience Alaska Native culture in an immersive, experiential way. They come to ANHC because they can balance the quality of this unique experience with the reduced price point of the group tour.

Recommendation: Consider value-add opportunities for the small tour operators, like the ability to purchase and pass along to their customers an Alaska Native made keychain or other reminder of their trip, which the tour company could bulk-order from ANHC or directly from the artist.

Facility Rentals

Facility rentals are available for special events put on by individuals and organizations throughout the year. These facilities are available all year round, with price increases on holidays and weekends. The following additions are available:

- **Equipment:** ANHC is able to provide 6' banquet tables with black skirting, round tables, chairs, a dance floor, sound, microphones, a podium, screen and projector, auxiliary cords, and a TV monitor.
- **Entertainment:** ANHC provides Alaska Native Dance Performances, Alaska Native Storytellers, Native Games Demonstrations, Private Tour Guide through the village sites, or six village site hosts (at each location) for events.
- **Large events:** Each event requires at least one staff member to be present to oversee use of the facilities. For groups exceeding 200 guests, additional staff members are required to be present. The outdoor tent may also be rented, and the staff are happy to work with guests on alternative set-ups as requested.

By renting ANHC facilities for special events, guests purchase a unique, culturally-rich location for their event. Many capitalize on this opportunity by renting village sites or entertainment to accompany their planned activities. As photos from prior events show, it is truly a remarkable space.

Recommendation: Collect email, or phone numbers to provide an automated online survey to clients immediately after their event to get feedback on what can be improved and what they most appreciated about the service, and utilize quotes (anonymously) for marketing purposes.

Cultural Awareness Workshops

At ANHC's Cultural Awareness Workshop (CAW), participants learn about Alaska Native cultures, history, communication practices, and participant's own personal cultural practices to help participants recognize and appreciate the different ways of interacting with people from other cultures, and with Alaska Native cultures in particular. In the workshop, participants learn from Alaska Native culture-bearers and

Elders, and they come away with a packet of useful information about Alaska and the Indigenous groups that live here. Organizations scheduling these workshops can choose from a variety of specific topics or cultural groups that can be emphasized in the training. Workshops last between a half-day to two-days in length, and can be held in-person or virtually by Zoom.

Recommendation: Continue to add highly relevant content, like a component on the impacts of boarding schools, or focus sessions on certain areas of Alaska.

Recommendation: Evaluate costs for recording and hosting this online, and adding individual professionals (as opposed to organizations) as a target market. Also consider opportunities to offer this product at appropriate conferences to train professionals from many backgrounds, and consider adding a certification for individual professionals completing the course.

Gift Shop

Ch’k’iqadi Gallery provides authentic Alaska Native arts to visitors of ANHC. “Ch’k’iqadi” is a Dena’ina Athabascan word meaning, “the things we buy.” The gallery contains art, jewelry, books, games, and other Alaska Native products from around the state of Alaska. Like ANHC itself, the gallery emphasizes representing artists from a wide range of locations, practicing both traditional and modern art-making techniques and interpretations. The gift shop prides itself on featuring high-quality, unique products. Displays of these items are also remarkable, as they feature Indigenous and/or local resources, like baleen, to create one-of-a-kind fixtures. At the gift shop, guests are able to find products at a wide variety of prices, for many different age groups and preferences.

Recommendation: Ensure that every admissions visitor leaves knowing they can purchase from the gift shop online at a later date, and that doing so will support Alaska Native communities. This can be done by collecting emails during ticket purchase, and having an automated email afterwards.

Recommendation: Use packaging to drive customers to the new website, and also to communicate ANHC’s values (sustainable packaging, professionalism, authenticity, etc.).

Recommendation: Consider a point of sale system that integrates with the website to track sales, admissions, inventory, customer contacts, email marketing campaigns, loyalty program, CRM etc. This will be crucial to creating operational efficiencies across the organization. Potential POS systems include Square Register, Shopkeep, KORONA software, etc.

Regulatory or Policy Constraints

The Alaska Native Heritage Center is a 501(c)3 non-profit organization. As such, the organization maintains a current business license with the state of Alaska, an EIN number with the IRS, a Charitable Organization registration with the State of Alaska, updated DCCED Biennial Reports and Certificates of Good Standing, and Articles of Incorporation.

While unwritten, ANHC strives to operate in line with cultural practices, and to represent the wishes of the Alaska Native cultures they represent. ANHC compensates the time of Elders for their work on behalf of the organization, and they seek Elder and culture bearer's advice in all aspects of the center's operations. As a cultural tourism organization, they seek to employ Alaska Natives to tell their own stories.

Section 3: Execution

Marketing Plan

One significant opportunity for ANHC to increase its market share comes from its marketing strategy. The marketing plan takes each of the customer segments and considers the marketing channels that are likely to be most effective with that particular customer segment. These marketing channels represent the places each customer segment is most likely to connect with ANHC's products and services.

1. **Visitors to Anchorage:** These customers are excited to visit Alaska and typically want to experience culture, the outdoors, and local shopping. The majority will do online research prior to their visit to plan activities and tours, although some will figure it out as they go. These customers are likely to hear about ANHC's **admissions** and **gift shop** through:
 - a. **Google My Business:** These customers will likely google terms like 'best Anchorage activities/museums/tours.' It is important that ANHC prioritize Search Engine Optimization in order to appear on the first page of google searches that use common search terms related to these topics. Providing these customers up-to-date hours and events through Google My Business and driving them to the website are critical. It is important that ANHC responds to all customer reviews both positive/negative. Every interaction with these customers helps build an ongoing relationship and sets the tone for future customers who read the reviews.
Recommendation: Add additional relevant search terms in Google My Business, and observe the impact on search engine optimization. Ensure that ANHC appears in the top 5 results for terms potential customers are

likely to use. For example, the search term ‘Anchorage Alaska Native dance performance’ does not show results for ANHC.

- b. **Website:** These customers will want to learn more about ANHC offerings and be able to purchase tickets directly through the website. It is important that the website have up to date information about current events at the venue, news, and seasonal updates or closures.
Recommendation: Add an online booking feature to sell admission, and link this to a single point of sale system. Highlight the Gift Shop to drive customers to the Gift Shop website and physical store.
 - c. **Travel Review Websites:** Sites like Tripadvisor, Viator, and Expedia, which have customer reviews and descriptions of activities, all drive customer choices. *Recommendation: Maximize ANHC’s control over the content of these sites, and find ways to encourage past visitors to leave reviews (ex. Social media push, a gift shop giveaway, exit surveys or emails after a guest visit encouraging a review). Especially encourage Gift Shop visitors to review the store.*
 - d. **Visit Anchorage’s website:** This has great SEO results with travelers doing online research on the best activities in Anchorage. ANHC shows up as their 3rd pick in the [20 Best Things to Do](#). This channel will appeal to customer researching activities online in advance. Having a relationship with Visit Anchorage and supporting this organization is important for reaching this target market.
 - e. **Travel Alaska Book & Map:** This physical booklet and map are widely distributed throughout Anchorage hotels and transportation hubs. ANHC is featured on the map, has a short paragraph describing the center, and a paid ad. This will interest some customers that pick up the booklet upon arrival, that don’t yet have detailed travel plans.
2. **Anchorage Community:** These customers live in Anchorage year round. They might be new to the area, or long-time residents looking for an educational activity, and find appeal in learning more about Alaska Native cultures and seeing dancing and games demonstrations. They are also often excited to shop local, and to purchase local art that reflects their connection to the area. This customer base is loyal and will have more opportunity to engage with ANHC’s various activities over time. It is important to build a long-lasting relationship with these customers. These customers are likely to hear about ANHC’s **admissions, gift shop, and facility rentals** through:
- a. **Google My Business:** These customers will likely google terms like ‘Anchorage museums.’ Search Engine Optimization is important to these customers considering ANHC for their activity. Up-to-date hours and events in Google My Business are critical.

Recommendation: As noted for the previous customer segment, add an online feature to purchase admissions through the website so that those who find ANHC through Google My Business can convert to a sale right at the time they are looking for a place to visit. Highlight the Gift Shop to drive customers to its website and to the physical store. Add search terms for the facility rental to improve SEO (ANHC does not currently appear on the first page for “facility rental Anchorage” or “wedding venues Anchorage” for example).

- b. Social Media:** Locals are more likely to follow local organizations on their social media platforms, especially Facebook and Instagram, to stay up to date on special events and activities. Social media posts occur regularly and have a clear strategy and message that reinforce the values of the organization.

Recommendations: Join other Anchorage-based community pages and share upcoming events and opportunities through those pages when possible to reach new local customers. Encourage other organizations with local reach to cross-share events. Also, consider having a ‘local’s day’ at the beginning or end of the season, and have a table out with someone to tell locals about facility rentals and CAW workshops. Add events through the ‘events’ platform on Facebook so that new customers can find ANHC through the events tab and not just directly through ANHC’s page. Make it clear and easy to purchase admissions, visit the gift shop ecommerce site, or inquire about a facility rental from posts.

- c. Email Newsletters:** As potential repeat customers, email newsletters with information about upcoming special events are likely to be of value to local residents.

Recommendation: Craft content in the newsletter with the entire Anchorage community in mind. Write social media posts that encourage locals to sign-up to the newsletter. Add more buttons/visual cues on the ANHC website to encourage visitors to sign-up to the newsletter.

- d. Radio Ads:** Locals tune in to local radio stations on a regular basis, however, this can quickly become an expensive marketing technique.

Recommendation: Consider using radio ads or having staff speak on radio channels for special events, such as the Holiday Bazaar, to drive local attendance.

- e. Bridal Fair and other facility rental expos:** Locals and businesses managing event planning are looking for beautiful, unique event rental facilities. They want to know about the facility, equipment, and additions that will make their event special.

Recommendation: Along with plenty of high-quality visuals, consider having hand-outs and an ability for potential customers to immediately book a visit or follow-up consultation.

- 3. Group Tour Vendors:** These customers actively search for high quality, memorable, unique, and affordable activities to add into their group tours. While the marketing channels that stick out to **admissions** visitors are likely to apply to this customer segment, some additional channels are also important:

- a. ATIA Annual Industry Event & Trade Show:** Many tour operators are likely to be in attendance.

Recommendation: Consider conversion techniques to encourage tour operators to pursue a contract with ANHC, like offering a limited time discount or signing up for a scheduled consultation.

- b. Other Cultural Tourism Conventions:** Conventions that are likely to result in featured pieces by influencers, journalists, or other media within the tourism industry may also garner additional interest from tour vendors (ex. AIANTA's Cultural Tourism Conference, other past conferences attended by staff).

Recommendation: Conduct additional research to identify conventions where the media and influencers in attendance have a strong Alaskan following.

- c. Cold Calls:** Direct emails to potential new tour companies, with a flyer or description of ANHC's tour is another avenue for attracting new group tour companies, and making them aware of all that ANHC offers. This marketing channel can also be used for sharing information about facility rentals with other local small businesses like wedding planners or event managers.

Recommendation: Use an online meeting booker like [Calendly](#) for easy customer relationship management.

- 4. Organizations (events):** These customers are looking for a reliable, beautiful facility that can accommodate larger group events, and that also offers additional services like the dance performances, catering, or storytelling with an Elder. They can be based in Anchorage, but are often from outside Alaska. Organizations that are seeking a **facility rental** can be reached through:

- a. Visit Anchorage:** Visit Anchorage has staff that work with corporations and other major event planners to encourage them to choose Anchorage for large events, and they share facility rental opportunities that match the size and need of the client.

- b. Google My Business:** Facility rental searches in Google are a common way for organizations to find facility rental opportunities.

Recommendation: Add search terms to the ANHC 'Google My Business' account, and take other SEO improvement steps so that ANHC appears

as one of the facility rental options when Googling in the Anchorage area.

- 5. Organizations (training):** These customers want to train their employees to work with Indigenous communities, often in rural villages, in a culturally sensitive manner. Many of their staff are not Alaska Native, and may not have spent much time in Alaska, but are working directly with Alaska Native clients or customers themselves. These organizations are most likely to hear about the **Cultural Awareness Workshops** through:

a. Networking: Partners and major corporations in Alaska that already know and work with ANHC in some capacity are most likely to know about CAWs and have an interest in training their staff.

b. Cold calls: For HR directors and other leaders that may be interested in this type of workshop, a direct email with a flyer or other materials highlighting the curriculum in the training program can bring awareness to new potential customers.

Recommendation: Update the CAW flyer pricing, content, and other changes to the curriculum. Show the customization options for workshop content.

c. Conferences: Major conferences that attract Alaskan businesses could also be an ideal opportunity to market these workshops. Placing paid ads in conference materials and having flyers or handouts and staff at events would likely increase customer awareness.

Recommendation: Consider offering a 1 hour introduction or a full workshop alongside ATIA's conventions or the Heritage and Cultural Tourism Conference and major education conferences.

- 6. Alaska Native art enthusiasts:** These customers have a value-driven interest in high-quality, authentic Alaska Native art. They search for pieces that are unique, and are from well-known or new up-and-coming artists, and purchase art from a wide range of prices. While many have connections to Alaska, they will not necessarily have visited ANHC in-person. Marketing channels to reach this customer segment and share **gift shop** products include:

a. Instagram: Many art enthusiasts follow artists on Instagram. "Drops" where new collections are released on a given day are highly popular and often result in good sales, and giveaways can be used to grow the number of followers for the account.

Recommendation: Consider having an Instagram account specifically for the gift shop, and potentially coordinating or supporting 'drops' with artists. Also consider having some giveaways, especially when first starting the account.

b. Google My Business: Search terms like "Alaska Native art for sale" or "Alaska Native art" can direct users to ANHC's website or the gift shop

website, as can search terms regarding specific artists and types of products.

Recommendations: Consider using additional platforms to map out ANHC's marketing strategy across all channels (ex. Asana for project management of all channels, and Hootsuite or Facebook Publishing Suite for social media posting).

Logo & Branding

ANHC's logo represents the five Alaska Native tribal groups, spread out like a fan, and reminding all of their mission to enable these groups to thrive. The organization's logo, colors, and font styles are

Core Marketing Messages

Each of the marketing messages below are designed to tell or show potential customers how ANHC delivers on their need/problem identified in the value position (copied under each heading for reference).

Admissions

Visitors to the Alaska Native Heritage Center seek an authentic and immersive understanding of Alaska Native history and culture.

- **Experience Authentic, Immersive, Alaska Native Culture:** These messages show customers what their experience will be like at the center. Messages showing activities, pictures of guests interacting, and quotes or reviews from past guests that get customers envisioning themselves at the center.
- **Learn about Alaska Native Culture:** Facts, stories, quotes, and information that pique customer's curiosity about Alaska Native culture and history.
- **Participate in an Event:** Show and tell guests about upcoming events and what it will feel like to be there, what they'll learn, or what they'll do.
- **Support the Alaska Native Communities:** Explain how each ticket purchased supports the Alaska Native communities, especially youth, Elders, and artists.
- **Vacation at Home:** ANHC is located away from the hustle and bustle of the rest of Anchorage. Get locals to see a visit to ANHC as stepping out of their normal lives and into the quiet woods, the ancient-looking village sites, and energetic dancing of ANHC, where they can experience a vacation while at home.
- **Core Values:** Share examples of how ANHC's core values affect visitor's experiences in the center.

Facility Rentals

Customers are looking for a beautiful outdoor space and/or indoor spaces for events ranging from 10 - 1200 attendees, and often seek a space that highlights Indigenous culture.

- **Imagine Your Event, Here:** Visually and verbally demonstrate what an event at ANHC can look and feel like. Enable event planners, organizations, and private parties to envision themselves at ANHC.
- **COVID Safe:** While the pandemic continues, a core marketing message could be highlighting the safety of having an event at ANHC. Highlights could include the outdoor tent, the outdoor scenery, masking, sanitization, and other safety measures taken by staff.
- **A Touch of Culture, a Touch of Class:** Highlight Alaska Native culture and how integrating it into an event elevates the experience to something sensational.
- **Everything You Need, in One Place:** Share the many unique additions available to clients, including equipment, catering (once the in-house catering begins), dancing, storytelling, etc. that are available through ANHC.
- **Core Values:** Highlight ways that the core values create a quality experience for clients renting the facility.

Cultural Awareness Workshops

Clients seek a deeper understanding of Alaska Native culture, history, and improvement of their cross-cultural communication skills in order to build relationships and work with greater sensitivity and understanding in Alaska.

- **Understand Our People:** Feature Alaska Native community members and non-members communicating through cross-cultural differences.
- **Build Trust:** Demonstrate moments when community members knew it was safe to trust someone from outside the community, like welcoming in a contractor, specialist, etc. and that outsider really connecting with community members.
- **Get to Know Our Culture, and Yours:** Show how participants get to know and see their own culture, the lens that creates, and then their beginning understandings of Alaska Native culture. Feature images, video or quotes of participants engaging in the training and having lightbulb moments around this topic.
- **Our Values in Action:** Share ANHC's core values, and the ways that these values are taught through the CAW course to participants.

Gift Shop

Customers seek unique, beautiful, inspiring, and educational Alaska Native art, jewelry and books to share a physical representation of their experience at the center, in Alaska, or of their support of Alaska Native cultures.

- **Authentic Alaska Native Art:** Show the artists and their creations and the traditions behind the art. Highlight that all pieces in the art gallery are made by Alaska Native artists.
- **Art from All Across Alaska:** Map the many different communities and tribes that the gallery sources art from. Speak to the vastness of the region, and the many different Alaska Native tribes and cultures.
- **Bring Your Experience Home:** Visually and verbally show guests how they can take home their Alaskan or ANHC experience when they use those purchases in the future.
- **Unique Treasures:** Show some of the pieces that can't be found anywhere else (ex. one of a kind jewelry, or a new artist that isn't at other stores yet). Share messages about the quality of products (from packaging to long-term use) customers can purchase.
- **Support Alaska Native Artists:** Demonstrate how dollars from each purchase go to support Alaska Native Artists and their communities and the continuation of Alaska Native culture.

Recommendation: Consider using ANHC's core marketing messages for each revenue stream to drive content creation for advertising. Use that content across the above mentioned channels on a scheduled basis.

Visual Marketing

The center highlights Alaska Native culture in all of its visual materials. From the organization's website to its rack cards, ANHC consistently displays photos of Alaska Native community members. These photos feature community members engaging in traditional activities like dancing or smoking salmon, and feature Alaska Native community members in both traditional dress as well as in more modern attire. The photos often also display the grounds and facilities at the center.

Professional-quality photos are critical for the center's marketing. New photos are taken on a regular basis, to consistently show guests what their experience will be like, and are another way the center communicates its validity as one of America's Cultural Treasures.

Youth and Elders are at the heart of ANHC's work. As such, photos of the center often feature both groups, to communicate the importance of passing on the wisdom of Elders and the growth of the next generation.

Throughout the center, Alaska Native culture and history is told through art, and the museum itself has a renowned collection of Alaska Native art. In displaying these works, ANHC follows written and unwritten protocols in only displaying works that the artists

or their posterity are comfortable displaying. Blessings are given when new pieces are received at the center, and care is taken to always treat Alaska Native artifacts with respect.

Distribution Plan

Admissions

Tickets to enter the center can be purchased in person at the entrance to the center by individuals or small groups. For large tour groups, tickets are purchased by other tour operators through a contract and invoicing process.

Recommendation: Add an online purchasing option for individuals/small groups, and integrate this purchasing tool with Google My Business to increase customer conversion.

Facility Rentals & Cultural Awareness Workshops

Facility rentals and Cultural Awareness Workshops are purchased through a contract and invoicing process, and payment can be made over the phone, by check, or by electronic funds transfer.

Recommendation: Add an online electronic payment system for these services as well. This could increase the number of clients that commit to booking after receiving a quote by making the payment process fast and easy.

Gift Shop

Customers of the gift shop are able to purchase items in person, and once the gift shop's website is complete, they will also be able to purchase online.

Pricing Plan

Admissions

Admission is free in the winter season, when there aren't any performances or staff-led tours available. During the summer season, admissions are as follows:

- Adults \$29 (18 - 64)
- Seniors \$25 (65+)
- Children \$19 (Agest 4-17)
- Alaska Resident Adult \$14
- Alaska Resident Child \$12

Admission is free for Alaska Native community members.

For group tours conducted by other tour operators, there are typically two pricing options:

- **Small Business Rate:** 15-20% off standard admission pricing. Due to COVID, this was reduced to a 10% discount, but the center anticipates being able to return to a 20% discount by 2023, assuming the tourism industry continues to rebound.
- **Large tour groups of 100 - 150:** Currently, these groups pay \$19.99/person based on an old admissions rate. Large tour groups book years in advance, making changes to the rate slow to implement. Prices are set to increase by 10% each year.

Facility Rentals

Facility rental pricing depends on the space the customer wishes to reserve, the time, event type, and additional equipment and entertainment options as follows:

Holiday Rentals: Events scheduled on an ANHC-observed holiday:
\$200.00

Day Rentals: Day time rentals are held between 7:00 am and 5:00 pm. 7 hours of time is included with the rental fee. Additional hours are charged at \$100/hour.

<u>Room</u>	<u>Half Day</u>	<u>Full Day</u>
Gathering Place	\$1,000.00	\$1,500.00
Theater	\$1,000.00	\$1,500.00
Hall of Cultures	\$325.00	\$500.00
Athabascan Ceremonial House	\$500.00	\$800.00

Evening Rentals: Set-up begins at 5:00 p.m. Events begin at 7:00 p.m. Ask about exceptions. \$100/hour after midnight (excluding wedding ceremonies and receptions).

<u>Room</u>	<u>Friday – Sunday</u>	<u>Monday – Thursday</u>
Gathering Place	\$1,800.00	\$1,500.00
Theater	\$1,600.00	\$1,500.00
Entire Center	\$3,500.00	\$3,500.00
Athabascan Ceremonial House	\$800.00	\$750.00

Village Sites

Yupik/Cupik:	\$600
Inupiaq:	\$600
Unangax:	\$350
Alutiiq/Sugpiaq:	\$350

Wedding Ceremonies and Receptions

Outdoor Ceremony, Reception in Gathering Place	\$2,000.00
Indoor Ceremony, Reception in Gathering Place	\$2,000.00
Indoor Ceremony and Reception in Athabascan Ceremonial House	\$1,000.00
Reception only in Gathering Place	\$1,800.00
Reception only in Athabascan Ceremonial House	\$800

Additional Equipment and Entertainment Options

6' banquet table with black skirting	
10 included with rental. Over 10 = \$15/table	
5' round tables (no skirting)	
10 included with rental. Over 10 = \$15/table	
Chairs	
80 included with rental. Over 80 = \$1/chair	
Dance floor	\$250.00
Sound in Gathering Place	\$50.00
Microphone (up to 2)	\$25.00/microphone
Podium	\$25.00
Screen and Projector	\$100.00
Aux. cords (iPod cord)	\$15.00
Additional event hours (more than 7 hours or	\$100.00/hour after midnight)
TV Monitor (wall mounted)	\$25.00

Entertainment

Alaska Native Dance Performance	\$400.00/30 minutes
Alaska Native Storyteller	\$200.00/30 minutes
Native Games Demonstration	\$300.00/30 minutes
Private Tour Guide (Village sites)	\$50.00/hour/guide
6 Village Site Hosts	\$300.00/hour

Large Events (over 200 guests) Additional Fees:

Additional ANHC staff	\$150 per staff member
Tenting or other approved set-up	\$500.00

Cultural Awareness Workshops

These workshops charge \$100 per person for a half-day workshop (up to 4 hrs.), and \$200 per person for a full-day workshop (up to 8 hrs.).

Gift Shop

The gift shop offers products at a wide range of prices. Products are priced at 50.68% above the purchase price (including additional costs like shipping and tax charged to the center by the vendor).

Sales Plan

ANHC accepts all major credit cards, checks, and electronic funds transfers. Square is utilized for credit card transactions, and these payments are collected by staff members operating the tills at the entrance to admissions and also in the gift shop. Invoices for facility rentals and Cultural Awareness workshops are taken by administrative staff, and invoice payments are sent to the accounting department for depositing and recording payment.

Recommendation: If not doing so already, purchase hardware to take contactless (ex. Apple Pay) payment at admissions and at the gift shop.

Section 4: Operations

Locations & Facilities

The Alaska Native Heritage Center is located at 8800 Heritage Center Drive, Anchorage, AK 99504. During the summer months, the center is open daily from 9:00 AM to 5:00 PM and in the winter months, the center is open Monday through Friday from 9:00 AM to 5:00 PM and is closed for select days.

Manufacturing & Production

Admissions

A typical day for admissions services operates as follows:

8:30 AM - Team Meeting

- At the meeting, all staff involved in the delivery of the tours meet, and discuss the logistics for the day (which staff will be covering what positions, tours, etc.). This is led by the Cultural Tourism Operations Manager. Key points to cover include which staff are assigned to what duties, and how extra private tours or events will be staffed. Additionally during this time, the admissions desk staff will count and open tills. Dance and Game Performers will prepare their clothes and equipment

for performances, and tour guides will check the facilities and village sites for tour readiness.

9:00 AM - Open for Tours

- Doors to visitors open at 9:00 AM. Admissions desk staff are the first point of contact for visitors, and guide them through the activities happening at the center for the day as they decide to purchase a ticket. The admissions staff also take payment for admissions, prior to visitors entering the facilities.

9:00 AM - 4:30 PM - Tour Operating Hours

- Typically 4 **guided tours** occur throughout the day. These typically take 1 - 1.5 hours, and are led by a tour guide. They begin in the Gathering Place, and tour through each of the Village Sites, stopping at each one and educating visitors about the unique Alaska Native tribe the site represents. Inside of each of the village sites are tools, furs, kayaks, and other artifacts, which are explained in detail by the guide.
- Each day, 3 **dance performances** and 3 **Native Games** demonstrations typically occur. These activities are 45 minutes long each. When dancers and game demonstrators aren't actively performing, these staff members head outside to the village sites, where they teach games and dances to visitors while visitors tour the village sites independently (not as part of the group tours). There are 5 staff members for the dance group, and 5 for the Native Games group.
- In addition to the tours, games demonstrations, and dance performances, there is also a **Theatre**, where videos on Alaska Native cultures are shown throughout the day. Staff also work to bring in special guest speakers and panels to discuss current Alaska Native issues, including topics such as the history and impact of boarding schools, cultural awareness, and other relevant topics.
- In the Gathering Place, an **introductory speech** is given by one of the games or dance staff, and they talk through the map of Alaska on the wall, and orient visitors to their current location as well as the locations of Alaska Native tribes.
- **Artists in Residence** will regularly be at ANHC in the Hall of Cultures, where they set up a table, create their products, sell their products, and answer questions from visitors. This creates an opportunity for visitors to interact with the artists, and for the artists to increase their sales.
- In addition to the regularly scheduled tours, dance performances, and games demonstrations for independent visitors to the center, **private group tours** are also booked. These will occur intermittently between the regularly scheduled performances, demonstrations, and tours, and staff are assigned to lead these activities according to the schedule of the day. Often during the summer months, at least one private or group tour will happen each day in addition to the regularly scheduled events, and these groups will often also purchase a private dance performance, games demonstration, or a group meal. Typically, an

additional 3 dance performances will occur outside of the normal schedule per day.

- Throughout the day, staff monitor the facilities and regularly rotate through spaces to make sure they are clean and ready for visitors. Should major cleaning be needed, maintenance will be called.

4:30 PM - 5:00 PM - Closing Procedures

- The admissions team begins closing procedures at 4:30 PM, by closing one of the two tills collecting payments, and by putting away the donation box, and depositing cash in the safe. Regalia and equipment are put away for the next day's use.

Group Tours

This process occurs over a longer period of time. The details below cover major milestones and activities in the group tour booking process.

- The process for creating group tours begins with outreach by the tour vendor to ANHC. This happens well in advance of the summer season. For larger tour companies, tours are requested more than a year in advance. Smaller tour companies begin scheduling six months in advance.
- After some initial discussion between the tour vendor and ANHC, ANHC provides the vendor with an initial tour operator agreement, which outlines the contract between the two companies, the price per person for the visit the vendor has requested (ex. a private tour, private dance performance, and storytelling with a catered lunch), and a code of conduct. The code of conduct is passed on to visitors, and begins educating visitors on ANHC's mission as well as informing visitors about cultural norms and protocols to follow during their visit to be respectful of Alaska Native culture.
- Once the contract is signed, the contract is passed on to the accounting department, where the financial details are logged, and an account for the vendor is opened.
- During the summer season, those that have not already solidified their tour schedule will be in contact with one of the cultural tourism managers to identify a time and day for the group tours they plan to bring by the center. Once this is confirmed, the managers will work with the admissions staff and will allocate staff accordingly, as fits with the rest of the admissions schedule.
- Upon arrival, tour operators will provide ANHC admissions staff with a voucher. The voucher details the number of visitors in attendance for the tour, and the activities the tour will be participating in. This voucher is passed on to the accounting department, and they bill the vendor for the number of people in attendance, with payment expected in 30 days.

- An experienced staff member takes them through a private tour, and any other activities that have been booked. Tours last between 2 - 3 hours (along with the other activities), and time is made at the end for tour groups to stop by the gift shop or visit the working artist table.
- Tours repeat in this manner throughout the season. At the end of the season, the operations manager meets with vendors and gets feedback on what worked well for the vendor, and what can be improved.

Recommendations:

- *Invest in an electronic admissions ticketing system, so that guests can purchase tickets online prior to their arrival, as well as independently (without the assistance of staff) at the center. This could create a more positive experience for the visitor, especially at high volume periods, and also cut down on the number of staff needed at the admissions desk.*
- *Continue to develop opening and closing procedures for admissions staff. Ideally these procedures would cover a check-in/check-out system for regalia and equipment, to ensure that ANHC property does not leave the building.*
- *Convert comment cards to an electronic survey, and use an electronic device to gather feedback at the exit, as well as sending surveys electronically to guests to complete post-visit (within a specified period of time). Consider adding prizes or incentives for feedback.*

Important partners in admissions product production include ANHC's broader network, through which jobs are advertised and Alaska Native staff members are often found, and an external Human Relations contractor, which manages the hiring and onboarding process for new staff.

Facility Rentals

- Typically, the facility rental process begins when a client contacts ANHC with interest in booking a facility rental. At that time, they are connected with the operations manager, who provides an initial consultation, and discusses options that would work best for the group based upon their needs.
- After the initial consultation, a quote is created by the operations manager, and provided to the client. Alterations may be made upon the client's request.
- Once the client accepts the quote, ANHC provides an invoice for their reservation, takes an initial deposit, reserves the requested dates and facilities, and schedules staff to support the event. All facility rentals are staffed with an ANHC liaison (called the Person in Charge) as well as a member of the maintenance team to assist in set-up and take-down. The team maps out the floor plan and any other pre-event logistics.

- On the day of the event, ANHC staff prepare the facilities reserved according to the client requests. The client is responsible for all set-up outside of requests made in the quote.
- Throughout the event, the Person in Charge and maintenance team members support the client to make sure their needs are met.
- After the event is finished, staff and clients work together to break down the materials for the event.
- The operations manager connects with the client after the event to touch base with them on their experience.

Important partners in creating this service include Alaska Native dance groups, caterers, and any other contractors needed to make the event possible.

Recommendation: Consider automating as much of the facility rental process as possible, including directly allowing the client to book a consultation when they fill out an inquiry form, electronic invoicing and payment processing, and electronic survey/feedback forms after the event. This could save manager and coordinator staff time.

Cultural Awareness Workshops

- The process for delivering CAWs begins with an inquiry from the client. The client is then connected to the CAW manager, who discusses the client's needs, workshop length, and potential dates.
- The CAW manager then provides a quote to the client, with a brief overview of the content the training would provide.
- Once the client accepts the quote, the administrator draws up an invoice, and the client pays a deposit, and dates for the workshop are finalized.
- The manager then works with ANHC staff and Elders to outline presenters for the workshop, and manages the preparation of any curriculum development or logistic details for the workshop.
- The workshop is delivered in-person or online by the workshop team.
- Once the workshop is complete, the remainder of the invoice is paid by the client.
- The manager provides a survey to attendees regarding their experience in the workshop, and incorporates feedback into future workshops.

Important partners in creating this product include Alaska Native Elders and the broader ANHC network, through which many hear about this training opportunity.

Recommendation: As with the facility rentals, consider opportunities to automate the booking process.

Gift Shop

The gift shop is open daily during the summer months. A typical day in the gift shop operates as follows:

- 8:30 AM: The gift shop manager prepares the tills, and starts computer and POS systems.
- 9:00 AM: The gift shop opens. One retail clerk at minimum is in charge of taking payment and assisting customers with their purchases or questions about items in the shop. During busy days, two clerks may be present to assist customers. When not directly assisting customers, staff also restock purchased items on the floor, dust, and maintain store appearance.
- 4:30 PM: Closing procedures begin. A final check for store cleanliness and stock is done.
- 5:00 PM: Gift shop closes for the day. Tills are counted and closed.
- The manager is responsible for inventory and purchasing, and does so as needed. Most ordering is placed during the winter months, when the store is not operational. The manager also leads the development and sourcing of display equipment and oversees entering inventory into the POS system, as well as pricing.

Important vendors and partners for the gift shop operations include:

- Alaska Native Artists: the manager selects products with care, and seeks a variety of high quality products from a diverse range of Alaska Native artists.
- Display suppliers: the manager selects and purchases a variety of display stands and other materials from several different vendors.
- Packaging suppliers: several vendors are used to provide bags, tissue paper, and other materials for packaging purchased items for guests.

Operations Equipment, Tools & Technology

Some of the most important resources for the center are its facilities, the staff and their knowledge, and the Alaska Native communities that engage with them in this work.

Other important resources include:

- **Vans:** Two vans pick up visitors from downtown Anchorage and bring them to the center during the busy summer season.
- **Dance and games equipment, instruments, and regalia:** These make the demonstrations come to life, and are essential for a professional production.
- **Microphones:** For large tour groups to hear tour guides.
- **Artifacts:** From each of the five Alaska Native cultural groups, artifacts such as seal furs, kayaks, bowls, and tools are inside each of the villages for visitors to interact with.

- **Computers and operating systems:** Used by staff for the daily functions and operations of the center.
- **Square payment processing:** Used to collect payment for admissions and at the Gift shop.

Partners & Resources

ANHC has a robust network of partners throughout Alaska that enable the center to thrive. Other Alaska Native entities, such as the Southcentral Foundation, KNBA, Cook Inlet Tribal Council, CIRI, and the Alaska Native Tribal Health Consortium, partner with ANHC across many programs and projects. In the cultural tourism industry, the Alaska Travel Industry Association (ATIA) and the American Indian Alaska Native Tourism Association (AIANTA) are core partners, and AIANTA's expertise in growing the cultural tourism industry has been highly beneficial. More locally, the Anchorage Municipality, Visit Anchorage, the Rasmussen Foundation, the Alaska Humanities Forum, the Alaska Art Alliance, the University of Alaska Anchorage and Alaska Pacific University, and other state entities all work closely with the center.

Additionally, BDO provides auditing services for ANHC, and Rachel Laueson provides legal advice. Avistus is contracted to do hiring and onboarding for the center.

Language & Culture

Within ANHC, all employees are invited to integrate Indigenous language into the workplace. Many staff members have their Indigenous name in their email signature, and find opportunities to utilize the language in everyday work interactions. ANHC also encourages employees to participate in opportunities to learn Alaska Native languages.

In working with visitors, ANHC staff members are also encouraged to utilize Indigenous languages to the extent possible, given each member's knowledge of the language and comfort using it in a public setting. Some staff members find it intimidating to use publicly, and may not have had the opportunity to learn much of the language themselves. Many Alaska Native languages are dying, with few members alive to teach them. ANHC is actively working statewide to create and support programming to continue language learning, and to create opportunities for healing over past traumas that have limited the use of Alaska Native languages.

Generational Involvement

At every possible opportunity, ANHC creates connections between Elders and Youth. Often, Elders are brought in to train youth in particular skills or cultural practices. Outside of the social enterprise services of ANHC (which are the revenue streams this

plan focuses on), many additional programs exist that bring these two groups together to learn.

Indigenous Education for Customers

A major part of ANHC's work is the education of its customers. ANHC has solid relationships and processes for working with Elders and culture bearers to follow community protocols for sharing the community's history, artifacts, stories, and more. Permissions are typically gathered through community advisory committees. Indigenous perspectives are elevated and highlighted to inform customers about the history and current lived experience of the Alaska Native community.

Risks & Mitigation

Some of the most substantial risks to the business's daily operations and achievement of its goals include:

- **Employee turnover:** Hiring new employees is a resource intensive process, especially when it comes to filling the many positions needed for the summer admissions services. In 2022, this will likely be especially challenging if the hiring market in 2021 persists. Mitigation techniques include strong messaging on choosing ANHC for their mission, vision, and values, unique benefits the organization can offer, and heavy outreach.
- **Tourism disruptions:** A return of decreased visitors to Anchorage or business closures due to the pandemic could significantly affect revenues in 2022. Mitigation techniques include securing additional government funding (ex. PPP loans, Shuttered Venue Operators Grant), and cutting expenses on positions not needed when admissions activities are not occurring.

Section 5: Company Description

Ownership & Structure

The Alaska Native Heritage Center is a 501(c)3 non-profit organization, started by the Alaska Federation of Natives in 1987. The center is led by the President and CEO and by a board of directors.

Management Team

Approximately 90% of the decision makers at the organization are Indigenous. The center is led by a 100% Alaska Native Board of Directors that represents all 5 cultural regions, as well as multiple sectors of business and society in Alaska. The management team is currently composed of the President/CEO, Finance Director, Development

Director, Director of Culture and Education Programs, and numerous managers in charge of various projects.

Wherever possible, ANHC prioritizes hiring Alaska Native employees. They promote jobs through the Native community, especially through other non-profits, on Alaska Native Hire, and on the Foraker Group job boards.

Elders and culture bearers are compensated to participate and lead workshops, as well as through the Cultural Advisory Committees (CACs). ANHC has built many strong relationships with Elders throughout Alaska and strives to maintain these relationships by keeping in touch and working with Elders and culture bearers on numerous projects. Elders are always compensated for their time through honorariums or through paid contract work.

Youth are often hired as summer interns or staff to fill customer-facing positions in the admissions services department. Along with learning skills for these jobs, youth work directly with Elders to learn cultural practices, like storytelling, filleting and smoking fish, and other culturally important skills.

Section 6: Financial Analysis

Revenues and Expense Projections

The fiscal year for the financial projections begins April 1, 2022 and ends March 31, 2023. Admissions take place from May 15 - September 15 each year. Events happen year-round. The gift shop is open during the same season as the admissions. The gift shop came under management by ANHC in 2021 (management was previously outsourced to a third party contractor). Cultural Awareness Workshops began in earnest in April 2021. All projections are modeled assuming *no subsidy grant funding*.

This model projects \$1,269,981 in revenue for the next fiscal year, beginning April 1, 2022, with \$900,255.30 of these sales from an estimated 30,000 visitors. Net income before depreciation and administrative overhead is \$3,553.95. **After adding depreciation and administrative overhead, the model projects a loss of -\$906,123.50.** The breakdown below explains the logic and assumptions behind the income and expenses, and also provides recommendations for increasing revenues and decreasing expenses to drive the model towards (at minimum) breakeven.

Income

Admissions (31-1):

- Museum admissions revenue is estimated at \$840,000 for 2022, based on an average unit price of \$28.00 for 30,000 visitors. From 2017 - 2019, ANHC had between 40,000 - 45,000 visitors, capturing an estimated 2% of the summer visitors to Anchorage (which ranged from 2M - 2.2M, according to ATIA/McDowell Group Summer Visitor Volume data). In 2021, ANHC had nearly 21,000 visitors. The financial model conservatively assumes ANHC will capture at least 75% of their normal visitor volume, compared to pre-pandemic travel, which, given the 2021 season, seems reasonable. It is predicted in this model that visitor volume will be around 1M (half the volume of visitors to ANC pre-pandemic) in 2022, and that ANHC will be able to capture 3% of the market, up 1% from 2017 - 2019 historicals.
- Admissions discounts are not included in this model. Methods for providing discounts and collecting data are currently in flux, and significant discounts are not currently anticipated for the 2022 season.
- No income from facility rentals are included in the model under this class, since income is not significant, and does not appear in years prior to 2021.
- Group meals are modeled at the 2019 rate. Group meals are provided to bus or group tours. Typically, the revenues and expenses for this item are breakeven. It is an extra incentive for bus/group tours.
- Artist Table Fees are based on a conservative estimate of historicals, at \$5K. This revenue comes from fees visiting artists pay to the center to set up demonstration and sales booths, as well as fees for artists that sell at the ANHC Christmas Bazaar.
- Miscellaneous Revenue is not included based on the assumption that these revenues are unpredictable. Historically, they vary from year to year.

Cultural Awareness Workshops (31-2):

- According to the Cultural Awareness Workshop (CAW) lead, participants are charged \$100 per half day course and \$200 per full day course. The CAW lead has compiled data for courses offered from April - August 2021. By multiplying participants by 2 that are enrolled in full time workshops, we can calculate participants per half day course over the four-month period, which totals 320, which results in \$32,000 course fees. Annualizing this data would project \$96,000 in revenues. The workshop was not offered in prior years. This is a less conservative estimate, and may need staff leadership and marketing to accomplish.

Facility Rentals (13):

- Facility Rental Income is modeled at \$150,000 based on 2019 sales. ANHC has significant outdoor event spaces, which makes it an ideal location for events despite COVID. Infrastructure includes a patio and a large outdoor tent.

- No cultural tourism, filming, or miscellaneous revenue is modeled.

Gift Shop (14):

- Retail Sales for the gift shop are modeled based on spending per capita of \$8.50 for 30,000 visitors. This matches actual per capita spending in 2020, and is lower than the 2021 rate of \$10.50 per capita
- Retail Sales COGS are modeled at 50.68% of Retail Sales, based on the YTD FY 22 percentage of sales.
- Retail Discounts are modeled at 0.8% of Retail Sales, based on the YTD FY 22 percentage of sales.

Expenses

Admissions (31-1):

- **Payroll Expenses:** This model represents a new estimate of what the organization will need in order to provide the products and services projected in this plan without grant funding for internships. Payroll for Admissions activities totals **\$293,580.00** based on the breakdown below. Fringe expenses for the organization average at 18%, which is added directly into the Payroll Expenses line, for a total of **\$346,424.40** in payroll expenses for this revenue stream.
- **Admissions Staffing:**
 - **Cultural Tourism Manager (0.25 FTE at \$60K per year):** This person leads contracts, group tours, creates a larger vision of cultural tourism, manages overall operation processes, participates in networking with other tourism organizations, and works with marketing. *Cost: \$15,000.*
 - **Cultural Tourism Operations Manager (0.50 FTE at \$60K per year):** This person coordinates the delivery of programming, staffing, customer service, materials needed for tours and performances, and anything else needed to deliver high-quality tours (note: This position and the Cultural Tourism Manager can be combined, depending on the other activities carried out by the position). *Cost: \$30,000.*
 - **Marketing Manager (0.75 FTE at \$60K per year):** This position leads the marketing strategy and activities for admissions and tours. *Cost: \$45,000.*
 - **Summer Admissions Staff:**
 - **Program Lead (1.0 FTE at \$20.00/hr):** This person oversees admissions staff and ensures that operations are running smoothly. *Cost: 174 hours per month * \$20.00 per hour * 4 months = \$13,920*
 - **Admissions Desk Lead (2.0 FTEs at \$15.00):** These staff greet and admit visitors to the center. This may be spread over more than two staff members, depending on availability. *Costs: 174*

*hours per month * 2 positions * \$15.00 per hour * 4 months = \$20,880.*

- **Tour Guide (1 FTE at \$15.00):** This person leads the tours around the village sites. Each tour lasts between 1 - 1.5 hours, and up to 25 visitors may be in each group. This position may be spread across multiple part-time staff. *Cost: 174 hours per month * \$15.00 * 4 months = \$10,440*
- **Dance Performers (5.0 FTE at \$15.00):** These staff form the dance group that puts on performances for the tour groups. They also interact with visitors, and when grant opportunities exist, they learn other cultural activities like kayak making, fish smoking, and other cultural education activities. *Cost: 174 hours per month * 5 positions * \$15.00 per hour * 4 months = \$52,200.*
- **Native Games Performers (5.0 FTE at \$15.00):** These staff demonstrate traditional Alaska Native Games for visitors, and also interact with visitors. Like the dancers, they learn other cultural activities like kayak making, fish smoking, and other cultural education activities when grant funding is available. *Cost: 174 hours per month * 5 positions * \$15.00 per hour * 4 months = \$52,200.*
- **Culture Bearers (2 FTEs at \$20.00 per hour):** Elders that share traditional stories with visitors as part of their tour. *Cost: 174 hours per month * 2 positions * \$20.00 per hour * 4 months = \$27,840*
- **Seasonal Drivers (1.5 FTEs at \$25.00 per hour):** These staff drive the ANHC shuttles, which pick visitors up from prime locations downtown and bring them to the center, and then back to downtown Anchorage. *Cost: 174 hours per month * 1.5 positions * \$25.00 per hour * 4 months = \$26,100.*
- **Printing & Reproduction:** This includes copies of printed materials such as comment cards, vouchers for admissions, thank you cards, rack cards, brochures, holiday cards, business cards, and stickers. This is estimated at **\$7,500** based on past actuals.
- **Postage and Freight:** This covers outgoing postage and freight, and is typically minimal.
- **Telephone:** This covers telephone services for the organization. The budget replicates the FYE 03.31.19 actuals of **\$24,215.00**.
- **Facility Insurance:** This covers a portion of the required insurance for the organization, portioned by class. The budget is based on FY19 actuals at **\$44,112.62**.
- **Travel & Related:** This covers business meals, mileage, and parking for staff to attend networking luncheons, meetings, and tradeshow. It also includes staff

travel, lodging, and transportation to events, such as tourism trade shows. The budget is based on FYE 03.31.2019 actuals of **\$16,343.83**.

- **Vehicle Expense:** This covers repair, maintenance, insurance, and gas expenses for the two visitor shuttles that transport visitors from downtown Anchorage to ANHC and back. The budget is based on the FYE 03.31.19 actuals of **\$6,523.80**.
- **Utilities:** The budgeted amount is based on the FYE 03.31.19 actuals, which show that \$92,717.44 was expensed for electricity, \$34,607.19 for natural gas, \$11,605.94 for water and sewer, and \$8,642.30 for refuse, totaling **\$147,572.87** for the year.
- **Equipment Repairs & Maintenance:** This includes snow removal, ground maintenance expenses, alarm monitor and inspections, beautification, and propane for the village sites. The budget is based on the FYE 03.31.19 actuals at **\$62,409.31**.
- **Equipment Rental:** No significant expenses have been incurred in the past, and therefore nothing is budgeted in this model.
- **Equipment Purchased:** This includes equipment for staff to carry out admissions programs, as well as apps and software. The budget is based on the 3.31.19 FYE actuals at **\$5,073.12**.
- **Consulting and Contractual:** The budget is based primarily on 3.31.19 FYE actuals. This line includes graphic design (\$1,502.50), computer services (\$56,361.04), and security (\$1,525.00), as well as some small items like interpreters, dance performances, and sign language (estimated at \$7,500, increased over 19' actuals to account for other changes in the model). This line totals **\$66,888.54**.
- **Supplies:** This line includes catering food services (\$19,193.90), linen services (\$8,164.45), office supplies (\$1,472.74), art supplies (\$763.92), teaching supplies (\$478.42), food supplies (\$5,858.10), janitorial supplies (\$15,025.13), subsistence supplies (\$6.21), group meal supplies (\$1,440.73), and photography (\$29.00). Primarily, these expenses are for the bus and group meals. This line is budgeted at **\$52,432.60**.
- **Dues/Fees/Subs/Membership:** This includes ANHC website host fees (\$8,000.00), bank fees (estimated at \$5,000 due to a recent banking change), and membership, registration and subscription fees (\$9,551.70), totaling **\$22,551.70**.
- **Registration Fees/Booths:** This includes registration fees for events like ATIA's conference and other cultural tourism industry events, estimated at **\$5,000** based on past actuals.
- **Training & Education:** This line item varies, depending on the activities for the year. Nothing has been budgeted, as expenses are typically minimal.

- **Miscellaneous:** Random and unbudgeted expenses for staff, guests, etc. Expenses are typically minimal; therefore nothing has been budgeted.
- **Marketing:** This includes MailChimp surveys, advertising bills, advertising in the Anchorage Directory, social media advertising, rack cards, radio broadcasting, brochures, and other forms of advertising, and is estimated at **\$50,000.**
- **Promotional Items:** This has been used in the past for giveaway items, and is typically minimal. Nothing has been budgeted for future projections.
- **Facility Rental Expense:** Nothing has been budgeted.
- **Special Events Costs:** This included an awards banquet special event costs. No fees in this category have been budgeted.
- **Donor Recognition:** No fees in this category have been budgeted.
- **Cash (over)/Short:** This balances the daily cash total for the admissions cash, which totaled \$2,403.75 for FY 19. As this is highly variable, nothing has been budgeted.
- **Depreciation:** This line includes depreciation for the facilities, vehicles, and other major assets owned by the organization, and is based on the FY19 actuals at \$555,077.79.
- **Administrative Overhead:** In addition to the staff directly involved in executing operations for admissions activities, administrative staff oversee the operations of the center as a whole. This model averages the support of these expenses at a 28% indirect rate, which is multiplied by the pre-depreciation expenses.

Admissions Financial Recommendations:

- *Although the price per capita increased from \$22.68 in 2020 (which repeats historical averages) to \$30.85 in 2021, consider whether the price per capita can be increased to \$38.00 - \$40.00.*
- *Consider strategies for increasing the percentage of the tourism market ANHC captures each summer. If ANHC admissions numbers returned to historic levels, at approximately 40,000, and price per capita was increased to \$38.75, revenues would be \$1,550,000, which would enable this class to breakeven while contributing to administrative overhead and depreciation.*
- *At present, meals for large groups are modeled at breakeven, based on 2019 actuals. Consider switching this addition to an ‘upsell’ approach, and increasing the sale price so that additional income is earned by the organization when coordinating this addition.*
- *Consider whether depreciation could be covered by another class, such as development. If development activities include donations to keep the center thriving, perhaps one of the primary objectives of this class could be to cover the*

perpetuation of the organization's assets, which could be part of the pitch to donors.

Cultural Awareness Workshops (31-2):

- **Payroll Expenses:** Payroll expenses include estimated wages for staff, totaling \$40,740, as well as fringe benefits, which are modeled based on actuals at 18%, totaling \$7,333.20. The total payroll expenses for this class are **\$48,073.20**.
 - **Cultural Awareness Workshop Manager (0.50 FTE at \$60K per year):** This position oversees workshop processes, prepares and individualizes courses for clients, liaises with other presenters, and leads delivery of workshops for clients. *Cost: \$30,000.*
 - **Administrator (0.25 FTE at \$15.00 per hour):** This position reviews customer requests, works directly with clients to book workshops, and executes invoicing. *Cost: 43 hours per month * \$15.00 per hour * 12 months = \$7,740.*
 - **Marketing Manager (0.05 FTE at \$60K per year):** This position leads the marketing strategy and activities for the workshops. *Cost: \$3,000.*
- **Printing & Reproduction:** This includes expenses for printing informational brochures, estimated at **\$2,500**.
- **Telephone:** This is based on an estimated allocation of **\$100**.
- **Consulting and Contractual:** This line estimates hiring a consultant to further develop the curriculum for a one-time fee of \$25,000, as well as a contractual fee to record and upload video content for virtual admissions at \$5,000. This also includes honorariums for elders and culture bearers to speak at workshops at \$100 per workshop, with an estimated 51 workshops per year (based on four months of data with 17 half day workshops delivered), for a total of \$5,100. Consulting and contractual fees total **\$35,100**.
- **Dues/Fees/Subs/Membership:** An estimated \$5,000 has been modeled for this class.
- **Marketing:** This does not include any marketing expenses, as they have been combined under the 31-1 Cultural Tourism class.
- **Administrative Overhead:** In addition to the staff directly involved in executing operations for admissions activities, administrative staff oversee the operations of the center as a whole. This model averages the support of these expenses at a 28% indirect rate, which is multiplied by the pre-depreciation expenses.

CAW Financial Recommendations:

- *Consider increasing costs to \$150 per person, which would result in a net income of \$27,810.30.*

- *Consider omitting curriculum development and virtual offering from the budget, unless grant revenues are realized to support the activity.*

Facility Rentals:

- **Payroll:** Payroll expenses include wages for staff, totaling \$110,910, as well as fringe benefits, which are modeled based on actuals at 18%, totaling \$19,963.80. The total payroll expenses for this class are **\$130,873.80**.
 - **Facility Rentals Manager (0.50 FTE at \$60K per year):** This position oversees event contracts, creates the strategic vision for event rentals, manages overall operation processes, participates in networking with event rental industries, and works with the marketing manager to advertise services. *Cost: \$30,000.*
 - **Facility Rentals Coordinator (0.75 FTE at \$20.00 per hour):** This position reviews customer requests, works directly with clients to book facilities for events, and executes invoicing. *Cost: 174 hours per month * 0.75 positions * \$20.00 per hour * 12 months = \$31,320.*
 - **Maintenance Technician (1 FTE at \$20.00 per hour):** This position assists in the set-up and maintenance of equipment and facilities used during facility rentals. *Costs: 174 hours per month * \$20.00 per hour * 12 months per year = \$41,760.*
 - **Person in Charge (0.25 FTE at \$15.00 per hour):** This position is at the facility at all times during an event, and oversees proper use of the facility. *Cost: 174 hours per month * 0.25 positions * \$15.00 per hour * 12 months per year = \$7,830.*
- **Printing & Reproduction:** None. Printed materials are combined with the 31-1 Cultural Tourism Marketing budget.
- **Postage and Freight:** None.
- **Telephone:** None.
- **Facility Insurance:** None, as this has been covered by the admissions class.
- **Travel & Related:** This includes expenses related to staff participation in ATIA and other marketing, networking, sales, or industry events. The budget is based on 19' actuals at **\$548.88**.
- **Vehicle Expense:** Some ANHC shuttle gas expenses, based on the 19' actuals, at **\$197.55**.
- **Utilities:** None has been included in this class, as use is insignificant in comparison to other programs, which cover use of utilities.
- **Equipment Repairs & Maintenance:** This includes fees related to facility equipment maintenance for rentals, such as the ice machine replacement. The budgeted amount is based on 19' actuals at **\$374.40**.

- **Equipment Purchased:** Equipment includes expenses related to staff needs to support the program, such as computers. The budget is based on 19' actuals at **\$1,014.39.**
- **Consulting and Contractual:** This includes legal advising, security contracting for events, and other contractual fees for events. The budgeted amount is based on 19' actuals at **\$2,935.75.**
- **Supplies:** Supplies include office supplies, food supplies, facility rental supplies, and photography. The budget is based on 19' actuals at **\$1,195.44.**
- **Dues/Fees/Subs/Membership:** This category includes bank fees, and is based on 19' actuals at **\$2,108.40.**
- **Registration Fees/Booths:** These are fees for marketing at events, like wedding shows or other industry related events. The budget is based on 19' actuals at **\$945.00.**
- **Training & Education:** This includes training for staff, and is based on 19' actuals at **\$150.00.**
- **Marketing:** This does not include any marketing expenses, as they have been combined under the 31-1 Cultural Tourism class.
- **Facility Rental Expense:** This includes expenses directly related to renting out the facility, not covered in other line items. The budget is based on 19' actuals at **\$982.39.**
- **Special Events Costs:** This includes expenses for special events that the organization attends to market this service, such as bridal fairs or other industry events, and is based on 19' actuals at **\$560.92.**
- **Administrative Overhead:** This model averages the support of administrative staff at a 28% indirect rate, which is multiplied by the pre-depreciation expenses.

Facility Rental Financial Recommendations:

- *The ratio of payroll expenses to revenue is high for this class. Can staff time be reduced? For example, would it be more accurate to only include 0.25 or 0.50 FTE for the Maintenance Technician under this class, and 0.25 FTE for the coordinator?*

Gift Shop:

As the gift shop recently came under direct management of ANHC (it was previously contracted out), expenses in this category are largely expenses, based on general operating knowledge.

- **Payroll:** Payroll expenses include wages for staff, totaling \$119,508, as well as fringe benefits, which are modeled based on actuals at 18%, totaling \$21,511.44. The total payroll expenses for this class are **\$141,019.44.**
 - **Gift Shop Manager (1 FTE at \$60K):** This position is in charge of the overall management of the gift shop including management of employees,

for identifying vendors and placing orders, and for upgrading and maintaining the presentation of shop merchandise and equipment. *Cost: \$60,000.*

- **Administrative Coordinator (0.75 FTE at \$18.00 per hour):** This position works directly with vendors and is responsible for payment processing, invoicing and updates the website for the gift shop. *Cost: 174 hours per month * 0.75 positions * \$18.00 per hour * 12 months = \$28,188.*
- **Seasonal Retail Clerks (3 FTEs for the summer only at \$15 per hour):** This position assists visitors in paying for purchases, answering questions about retail items, restocking inventory in the shop, and maintaining shop appearance. *Cost: 174 hours per month * 3 positions * \$15.00 per hour * 4 months = \$31,320.*
- **Printing and Reproduction:** This line item is estimated at \$5,000 per year.
- **Postage & Freight actuals:** This line item is estimated at \$2500 postage and \$2500 for freight in.
- **Telephone:** Budgeted at \$200 per year (\$16.67 per month) based on YTD FY22 actuals.
- **Travel:** Budgeted at \$10,000 as a rough estimate for the manager traveling to trade shows and vendor events.
- **Equipment Purchased:** Budgeted at \$5,000 per year, which includes display and fixture replacements, as well as display cases and other equipment for the shop.
- **Consulting and contractual:** Estimated budget of \$1,000 for general consulting fees (such as legal and accounting) and \$2,500 for website hosting fees.
- **Supplies:** Budgeted at \$1,000 per month for other unexpected supply needs.
- **Dues & Subscriptions:** Budgeted at \$1,000. No dues or subscriptions are currently paid, however, it is anticipated that some may be useful in the near future.
- **Marketing and Advertising:** Estimated at \$5,000 per year.
- **Administrative Overhead:** This model averages the support of administrative staff at a 28% indirect rate, which is multiplied by the pre-depreciation expenses.

Gift Shop Financial Recommendations:

- *Decrease staffing to approximately 1 seasonal retail clerk and 0.25 administrative coordinator (in addition to the 1 FTE manager).*