



AMENITY INVESTMENTS & TOURIST DESTINATION DEVELOPMENT



**David Vail
Bowdoin College**

**Policy Insights
From
Three Rural
Maine Regions**



MAINE CENTER FOR ECONOMIC POLICY

Amenity Investments & Tourist Destination Development

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Three Rural Maine Regions**

**David Vail
Bowdoin College**

August, 2010

**A Project of the
Maine Center for Economic Policy**

The Maine Center for Economic Policy was established in 1994 with the mission to promote a sustainable and equitable economy through analyzing and proposing solutions for Maine's economic and fiscal challenges. By doing so we seek to build an economy that allows all Maine's people to achieve personal security and the greatest opportunity to reach their full potential.

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Preface

The mission of the Maine Center for Economic Policy is to advance public policies that help Maine people prosper in a strong, fair and sustainable economy. We advance this mission through high-quality research, analysis, citizen education and coalition building.

For many years we have devoted particular attention to the challenges of spreading prosperity to areas of the State that have not shared the economic gains experienced by Maine's south coastal regions. Recognizing that tourism is a major source of jobs and income throughout the State, we have focused specifically on how tourism can be promoted in ways that create quality livelihoods for more Maine families and help revitalize economically distressed rural regions.

Professor David Vail has been principal investigator for many of these previous reports, and we are pleased again to present his work bringing these themes together, with insights from many conversations with stakeholders in three study areas — Franklin, Piscataquis and Washington Counties.

We are convinced the public investments described in this report will be justified by the returns to businesses, working people and communities, not only in the affected counties but across the State. Maine citizens currently support public investments for education, health care and basic infrastructure throughout the State. We will all benefit from carefully targeted investments as outlined in this report that will promote economic vitality in the State's less prosperous regions.

Christopher St.John
Executive Director
Maine Center for economic Policy

CONTENTS

Executive Summary	1
1. Tourism and Rural Economic Revitalization.....	6
2. Three Destinations: Common Challenges and Unique Opportunities	15
Invited Essays	
i) Farmington’s Untapped Potential as a Destination and Gateway Alison A. Hagerstrom.....	34
ii) Washington County Itinerary Mapping for Experiential Tourists Judy East.....	35
iii) The Maine Woods Tourism Training Initiative Bruce Hazard.....	36
iv) Wabanaki Cultural Tourism Center Project Donna M. Loring.....	37
v) Building the 100 Mile Wilderness Destination Roger Merchant, Bryan Wentzell	38
3. State Support in an Age of Diminished Expectations	40
Conclusion.....	50
Appendix 1: Study Design—Three Destination Cases	51
Appendix 2: Survey Responses by Case Study Region	54
Appendix 3: Previous MECEP Tourism Studies and Recommendations	66
Contributor Bios	68
References	70
Endnotes.....	72

Executive Summary

In August 1846, Henry David Thoreau set out from Massachusetts, heading down east on the first of his three visits to Maine's remote interior. While Thoreau was not the State's first tourist, his influential essays, published as "The Maine Woods," are the most famous and enduring visitor accounts of rural Maine's spectacular wildlands and extraordinary quality of place. Thoreau inspired millions who have followed him to Maine's vast forested interior in search of "the way life should be."

For more than a century, tourism has been a mainstay of Maine's economy. Today, tourism is one of Maine's most important and reliable export sectors, bringing billions of dollars into the State annually. It employs tens of thousands, supports thousands of Maine businesses and generates hundreds of millions in state tax revenues. As we begin the 21st century's second decade, tourism holds great promise for sustainable economic growth. And yet many of the places Thoreau found so awe-inspiring remain largely as remote, unspoiled and unknown to out-of-state tourists as when he visited over a century and a half ago. Indeed, many of these natural areas and their gateway communities are rural Maine's "hidden gems." They are far less well known – or congested – than popular coastal destinations, but they are nonetheless home to exceptional outdoor recreation opportunities, cultural heritage amenities and hospitality services.

Realizing rural Maine's potential for sustainable tourism growth demands bold, creative and tenacious leadership at the state, regional and local levels. It also requires effective coordination of public, private and philanthropic initiatives. Traditionally, the State has emphasized tourism marketing. The potential game-changer now is state investment in tourism destinations and products. The State's funding capacity is limited in these tight fiscal times, but the stakes are high for rural Maine. Backing tourism and other promising growth sectors is crucial for revitalizing regions whose "mature" manufacturing and natural resource-based industries can no longer sustain rural employment and thriving communities.

Study Background

This report uses case studies to explore the growth potential of three rural tourism destinations, by which we mean clusters of gateway and destination towns together with their surrounding natural attractions. It assesses destination strengths, weaknesses, growth opportunities and critical investment needs. The case study findings inform our recommendations for cost-effective policies, particularly at the state level. The analysis relies extensively on a stakeholder survey, interviews with key individuals in the tourism sector and community asset inventories.

Northern Franklin County offers diverse natural, cultural and heritage attractions that together could offer a compelling whole, particularly for first-time experiential tourists in the summer and fall seasons. The Town of Farmington, in particular, has untapped potential as an

arts, culture, hospitality and shopping destination and as a more appealing gateway to the larger region.

Piscataquis County has two big destination development possibilities. The Moosehead Lake region has good prospects for major four season developments, including a revived Squaw Mountain ski area and Plum Creek's Lake Concept Plan, with its resort and second home development, coupled with large scale wildland conservation. These developments obviously hinge on attracting private investors. Piscataquis' under-developed "100 Mile Wilderness" region is also a promising destination for overnight visitors. The main growth opportunity centers on the Appalachian Mountain Club's lands and facilities, complemented by green infrastructure investments, gateway town revitalization and expanded leisure and hospitality services.

Washington County's Bold Coast and Passamaquoddy Bay regions possess unique natural features and wildlife watching opportunities, a rich "Down East" heritage and a prime two-nation destination in Roosevelt-Campobello International Park. The challenge is weaving these attractions together with quality leisure and hospitality services – and well maintained roads – to shape a compelling destination and brand. Although eastern Washington County suffers from perceived remoteness, it also offers a less congested, more authentic alternative to Acadia National Park and Bar Harbor. The added cost to prospective visitors who head "way down east" is a couple hours of extra travel. Finally, rich itineraries and quality services could also help the region capture more Canadian tourist spending as a gateway to the Maritime Provinces.

Quality of Place: A Foundation for Tourism Development

The study views the destination development challenge through a "quality of place" lens. In recent years, numerous economic strategy reports have urged policy makers to capitalize on Maine's unique and outstanding quality of place assets. This approach is effectively conveyed by the sub-title of the Brookings Institution's influential report, *Charting Maine's Future: An Action Plan for Promoting Sustainable Prosperity and Quality Places*.

Our study extends the quality of place perspective to investment in tourism amenities. Targeted investment in tourism destinations both capitalizes on Maine's special quality of place and enhances it. Rural Maine can dramatically increase the appeal of its tourism destinations, both to prospective first-time and repeat visitors.

<i>Tourism amenity assets are human-created, place-based attributes that enhance visitors' quality of experience.</i>

Well chosen amenity investments yield two important collateral benefits, in addition to attracting more high-spending visitors. They improve quality of life for rural Maine residents and they strengthen rural Maine's appeal to the mobile entrepreneurs and highly-educated young people who are crucial for economic revitalization.

Spreading prosperity to Maine's more remote rural areas requires a greater commitment to invest in tourism as well as other promising lead sectors. At present, however, the State lacks a coherent, farsighted, or ambitious tourism strategy. Certainly venerable outdoor recreation activities, such as hunting, fishing and camping, will continue to contribute to Maine's rural economy. However, those activities show little growth potential. It seems clear that the key to significant tourism growth is attracting more *experiential tourists*, that is, travelers who seek out destinations offering "the whole package" of outdoor recreation experiences combined with high quality hospitality services, shopping opportunities and cultural and heritage activities. In other words, quality experiences in quality places.

Lessons from the Field

While each regional destination is unique, the interviews, surveys and asset inventories in this study reveal a set of common needs faced by all rural destinations seeking to maximize their potential:

- Substantially more state investment in destination development is crucial, along with creative state leveraging of federal and philanthropic funding sources.
- The key to effective destination planning is to identify *amenity investment packages* combining "hard" components (e.g., road improvements, building renovations, trails and signage) with "soft" components (e.g., customer service training, arts and culture offerings).
- Successful destination strategies require effective regional organization and planning. Maine's rural regions have made tremendous progress in strategic tourism planning, although local parochialism and limited business participation need further attention.
- The regional planning groups that have emerged in recent years – and the destinations that make the most sense on the ground – differ significantly from the Maine Office of Tourism's (MOT) larger, more artificial tourism marketing regions.
- The State's support for tourism investments must be coordinated more effectively with priorities set out in regional tourism strategies. The study proposes a state-regional investment partnership that will channel state dollars to high return investment packages through a decentralized evaluation and allocation process.
- Although the State should help regions build on their unique destination assets and opportunities, several basic investment needs appear to be universal.
- Federal and philanthropic funding play limited but important roles in tourism destination development. A key state task is to mobilize those resources, combine them with state funds and channel them to high return investments.

Recommendations: Game Changing State Investments

The State's past support for tourism has focused primarily on marketing, although that is changing incrementally. The three case studies underscore the need for a more ambitious state tourism strategy, one that emphasizes destination and product development. This by no means undercuts the importance of well-funded branding and marketing efforts. A single agency should be responsible for coordinating all the State's tourism development efforts. To dramatize the scope and importance of the need, *we recommend that the State of Maine establish an ambitious goal of underwriting \$100 million in new tourism development investments over the next five years, focusing on the most promising destinations in Maine's most rural counties.* Well-targeted investment of at least that magnitude is crucial if we hope to fulfill the tourism sector's job creation potential. As the preceding discussion suggests, the major investment priorities include:

- Transportation infrastructure, particularly maintaining and upgrading roads, but also experimenting with alternative ways to bring tourists to rural destinations in comfort and convey them smoothly among the destination's attractions.
- Downtown revitalization targeted to the most promising gateway and destination communities.
- High quality green infrastructure to complement Maine's outstanding and accessible lands and waters. The Maine Nature Tourism Initiative should be completed in the three pilot regions and extended to all of rural Maine.
- High speed internet and effective cell phone service where they are currently lacking. These are basic needs of today's tourism businesses and basic demands of many visitors.
- Customer service quality, centering on frontline employee training but also including small business outreach programs.

Clearly, raising \$100 million will not be fiscally or politically easy in Maine's current economic situation. The Legislature has eliminated or sharply reduced recent "quality of place" bond proposals, and voters barely approved Question 4, an economic development bond, on June 8, 2010. Nonetheless, tourism destination investments, with their great job creation and community revitalization potential, merit state support on a par with the high technology sectors that have received so much recent attention and backing.

The report outlines several potential state funding sources for destination investments. The mix includes existing bond revenues (e.g., Roads and Bridges, Communities for Maine's Future), a new bond, general revenues and dedicated revenues (analogous to the share of meals and lodging taxes currently dedicated to tourism promotion).

The State should aggressively pursue and coordinate federal support, for instance, through the Keeping Maine's Forests initiative, the Three Ring Binder information technology project and the Transportation Enhancement Program. Maine's next governor and legislature should also work with philanthropic partners and regional economic development bodies to fund and implement promising initiatives that directly or indirectly support tourism development: Quality of Place (QOP, L.D. 1389), Mobilize Maine, the Maine Woods Tourism Training Initiative and the previously mentioned Maine Nature Tourism Initiative.

Under QOP, the State would establish broad guidelines for place-based tourism investments. The allocation process we envision would encourage stakeholders to compete for funds on the merit of their proposed destination investments. Criteria should include a high level of stakeholder participation, demonstrating commitment to a shared destination strategy. The process would combine broad state guidelines with a regional allocation authority and locally determined destination goals and strategies. This mechanism could be patterned on existing decentralized competitive grants programs.

Conclusion

Tourism growth cannot solve every problem confronting Maine's struggling rural economies. But, if it is done right, tourism growth offers a tremendous opportunity for broader and more sustainable rural prosperity, founded on quality jobs.

Developing the untapped potential of Maine's lesser known tourist destinations requires a patient, well-crafted investment strategy. It demands a long-term commitment from all of us – in government, private enterprise, public interest organizations and the philanthropic community – who espouse a vision of sustainable rural prosperity.

Ultimately, all Mainers will benefit from more appealing rural tourist destinations and a thriving rural tourism economy.

Chapter 1

Tourism and Rural Economic Revitalization

Suppose Maine's next governor were committed to implementing a sustainable rural development strategy:

Which lead economic sectors should that strategy prioritize?

Suppose Maine's Legislature – backed by citizens in referendum – approved a major financial investment for local and regional “quality of place” initiatives:

Which “quality of place” investments promise a high return?

Suppose the Maine Office of Tourism (MOT) were allocated ample resources to put tourism development on equal footing with tourism marketing:

Which destination development initiatives should be MOT's top priorities?

These may seem rhetorical questions. After all, we live in a time of chronically tight public finances and diminished expectations about the state's capacity to support regional economic development. Furthermore, the state's current economic strategy is focused primarily on capital intensive, high technology sectors like renewable energy, composite materials and biotechnology, rather than labor intensive service sectors like leisure and hospitality. Yet, especially in troubled economic times, we should develop a diverse portfolio of creative ideas and shine a spotlight on promising investments in areas that our elected leaders have prioritized. Indeed, when we canvass the many “quality of place” initiatives across rural Maine, and particularly grassroots efforts to enhance tourism destinations, it is clear that rural stakeholders have not given up hope or slackened their efforts.

This MECEP report highlights investments that can make rural tourist destinations much more attractive, especially to the first-time visitors on whom growth most depends. It proposes cost-effective state measures to support those investments. The report comes at a time of chronic socio-economic distress for Maine's most remote rural counties: Oxford, Franklin, Somerset, Piscataquis, northern Penobscot, Aroostook and Washington. Traditional resource-based and manufacturing sectors face declining employment and can rarely sustain thriving rural communities. Signs of distress include high unemployment, low average incomes, high poverty levels, the exodus of younger people and a rapidly aging population.

Despite recommendations from a series of commissions and taskforces, the state government has failed to respond to these symptoms with a coherent rural economic strategy, much less a coherent tourism sector strategy. Nonetheless, Maine's rural tourism regions, with very modest state and philanthropic backing, have become hotbeds of tourism planning and innova-

tion. As the MOT's new motto – “There's More to Maine” – conveys, official recognition of rural Maine's destination potential is growing.

Tourism as a Lead Sector in Rural Revitalization

Since 2005, MECEP's sustainable development project – *Spreading Prosperity to All of Maine* – has offered strategic ideas to overcome rural Maine's persistent economic crisis and community distress (see Appendix 3, Previous MECEP Tourism Studies and Recommendations).

Our analysis has demonstrated that tourism is a special kind of export sector, bringing revenues into the region and the state by encouraging millions of customers to share our backyard – “Vacationland.”

Tourism employs one of every nine workers and generates roughly seven percent of income in Maine's six most rural counties. Including tourism's local “multiplier effects,” its impact is even greater. The Maine Department of Labor projects that leisure and hospitality will continue as a major source of employment growth in the coming years.

A thriving tourism economy helps sustain a critical mass of local tax revenues, commercial activity and the population base needed for viable schools, hospitals and other social infrastructure. Quality tourist attractions, such as festivals, trails, scenic byways, lively town centers and diverse dining opportunities, enrich the lives of the local population, encouraging current residents to stay and helping to draw new settlers.

Rural Maine's natural endowments and human-made tourism assets have ample growth capacity. Realizing each region's growth potential depends upon our ability to convert these basic assets into “world-class” destinations that appeal to changing markets.

Sobering Realities: Changing Tourist Demands, Intense Competition, Sparse Funds

This report starts from an affirmative premise: By investing strategically, we can make Maine Woods and Downeast destinations more attractive, particularly for high spending “marketable overnight visitors.” Realistically, however, forces far beyond rural Maine's control – and the State's limited vision and ambition – make that a challenge.

First, demand patterns are changing. Trends are declining for outdoor recreation mainstays like hunting, camping and whitewater rafting and basically flat for fishing, snowmobiling and alpine skiing. Visits to Maine's renowned backcountry destinations, the Allagash Wilderness Waterway and Baxter State Park, have declined. And, though the “Great Recession” of 2007-

09 induced more Mainers to take “staycations” in the state’s more rural areas, that probably does not signal a significant trend reversal.

Rural Maine tourism reflects national phenomena: stagnant middle class incomes, “time poverty” leading to shorter vacations, an aging population and “nature deficit disorder” – a generational shift away from outdoor recreation.ⁱ In sum, Maine’s well-deserved reputation as an outstanding backcountry adventure destination is not likely to support much future growth.

Several newer outdoor adventure markets, such as snowboarding and mountain biking, are growing, and we should obviously attempt to expand our market share. However, “*experiential tourists*” represent a far larger target growth market. “Experientials” can be attracted by rural Maine’s natural landscapes, relaxed atmosphere and “soft” outdoor recreation opportunities. But they also seek destinations offering diverse and high quality culture, heritage, shopping, entertainment, dining and lodging amenities. That requires a re-design and re-branding of Maine’s rural destinations, with a special focus on the Baby Boom Generation’s preferences and buying power.

A second challenge is intense competition. Other nearby destinations share rural Maine’s core natural assets and are equally determined to grow their tourism. Our neighbors – New York’s Adirondacks and Champlain Valley, Vermont’s Northeast Kingdom, New Hampshire’s Coos County, New Brunswick’s Miramichi and Restigouche rivers and even Maine’s coastal destinations – are all investing in product development, quality upgrades, green infrastructure and re-branding.ⁱⁱ In this era of global competition for experiential tourists and outdoor adventurers, rural Maine must also go head-to-head with true world-class destinations like the Colorado Rockies and Norwegian fjord country.

Third, the comparative remoteness of Maine’s most rural tourist destinations, plus the paucity of transportation alternatives, is another impediment. Soaring fuel prices in 2008 underscored rural Maine’s vulnerability to external market forces and may well have marked the end of America’s cheap fuel era. Rural Maine, as a “drive to” destination, will feel the effects of rising and volatile fuel prices on visitor numbers as well as spending for entertainment, dining, lodging, shopping and other activities. Snowmobiling and ATVing, rural tourism mainstays, will also be affected by fuel price trends.

In sum, simply to defend rural Maine’s current market share requires that we be smart competitors, prepared to underwrite strategic investments.

The “Great Recession” has taken a serious statewide toll on tourism spending and employment. Maine’s experience following the briefer, milder 2001 recession serves as a warning: it took several years of broad economic recovery for Maine’s tourism economy to recover to the pre-recession level. Some believe that the cloud of recession has a silver lining, as more Mainers explore their own state instead of traveling farther afield. This is a questionable tradeoff, since the typical Maine household has considerably less spending power than the typical tourist party from away. These “staycationers” also take more day trips, spending less on lodging and meals.

External forces can also work to the advantage of rural Maine destinations. Continuing land sub-division and declining snowfall to our south may strengthen Maine's position as a winter sports destination. And the recent appreciation of the Canadian "Loony" against the U.S. dollar brought more of our Canadian neighbors back to Maine for vacations and shopping (though Bangor and south coastal destinations appear to be the main beneficiaries).

Finally, chronic state budget pressures have constrained the Office of Tourism budget, Department of Conservation projects, the University and Community Colleges' recreation and hospitality programs and activities of the fledgling Center for Tourism Research and Outreach. Furthermore, bond financing for tourism-relevant investments has also been extremely limited.

Building a "Quality of Place" Tourism Strategy: Amenity Investments

The conviction that Maine is a special place to live – and visit – has a long pedigree stretching back at least as far as Henry David Thoreau's seminal *The Maine Woods* essays. This viewpoint has been sharpened in recent years around the claims that *quality of place* is one of Maine's most important economic assets and that economic strategy should target *place-based amenities* for improvement and expansion.ⁱⁱⁱ

Of all the recent place-based initiatives, the Brookings Institution's 2006 report, *Charting Maine's Future*, has had the greatest influence on strategic thinking and policy. The report is optimistic: "For all its challenges Maine stands within reach of a new prosperity....As the search for quality places grows in importance, Maine possesses a globally known 'brand' built on images of livable communities, stunning scenery and great recreational opportunities." Brookings' proposed what seemed at the time a modest "Maine Quality Places Fund" – \$190 million over ten years – with the core goal of "promoting tourism and outdoor recreation given their importance to the Maine economy."^{iv}

The Governor's Council on Maine's Quality of Place (QOP) was created to flesh out the Brookings proposals. The Council's second report to the Governor, *Quality of Place and Job Growth*,^v places primary emphasis on tourism's contribution to economic prosperity and employment. The Council's *Quality of Place Investment Strategy* prioritizes a "package" of investments that are crucial for tourism destination development: attractive town centers, green infrastructures, cultural assets and high quality customer service. (The author worked closely with Council staff on their analysis and recommendations.)

The Critical Role of Service Quality

“Tourism today is among Maine’s largest and strongest industries; maintaining this position requires that Maine remain a highly desirable tourist destination. This means not only protecting natural and cultural attractions that draw visitors to Maine, but providing top-quality products and services when they arrive....The quality of Maine’s tourism businesses and workforce is, therefore, as important as the quality of our natural and cultural attractions.”^{vi}

At the same time, the Council’s staff offered a qualifying note: “Quality of Place is not a substitute for more traditional factors such as human capital, productivity, infrastructure and tax policy.”^{vii} Indeed, tourism expert Roger Brookes is skeptical about what he considers the quality of place fad:

“The days of marketing geography or places have officially ended and we’ve now entered the experience economy...things to do, not things to look at. You can no longer hang your hat on the local museum (how far would you drive to see a local community museum) or scenic vistas, architecture or other static displays.”^{viii}

In light of these caveats, this study explores both the potential and the limitations of place-based investments to reinvigorate rural tourist destinations. Beyond these qualifications, skepticism is also justified about the prospects for significant financing of tourism development. There has been limited implementation of tourism-related recommendations made by an endless stream of state-level commissions, taskforces, councils and steering committees over the past decade.

The quality of place initiative culminated in ambitious bond proposals submitted to the Maine Legislature in 2009. However, some proposals did not survive the appropriations process and those which survived were approved at much reduced levels. Voters have since approved small amounts for the Endangered Building Fund (\$1.5m), Communities for Maine’s Future (\$3.5m), Parks and Lands (\$0.5m), Lands for Maine’s Future (\$9.5m) and bike and pedestrian trails as a small piece of the Roads and Bridges bond.

The Legislature recently enacted Governor John Baldacci’s 2010 Quality of Place Bill (LD 1389), but without an appropriation. LD 1389, reflecting diminished expectations, merely “directs the [Quality of Place] council to work with economic development districts to develop quality of place investment strategies...Projects that meet guidelines would be encouraged to receive preference for funding of a number of state grant programs.”^{ix} LD 1389 also downplays state funding and looks instead to uncertain “new federal, private and philanthropic funding.”^x

Two other initiatives, currently at the formative stage, also emphasize quality of place. *Mobilize Maine*, launched in 2008, is partially underwritten by Fairpoint Communications and

enthusiastically backed by the Governor. Its regional approach is “facilitated and coordinated” by the state’s six Economic Development Districts (EDDs). Mobilize Maine is conceived as a mechanism to “preserve and sustain Maine’s unique quality of place, while growing good paying jobs and businesses.”^{xi} One person interviewed for this study expresses doubts: “Mobilize Maine in reality, at the EDD level, does not seem particularly focused on quality of place, despite the rhetoric. And the [business] clusters I have heard people talking about as high priority do not include tourism.”^{xii}

The Department of Conservation and a public-private-NGO taskforce unveiled the *Keeping Maine’s Forests* initiative in late 2009. *Keeping Maine’s Forests* is Maine’s response to the federal government’s invitation to submit a proposal for its *Treasured Landscapes* program. Although *Treasured Landscapes* emphasizes large scale conservation, Maine’s conservation proposal is supplemented by a strategy to re-invigorate the northern forest economy, including the tourism sector. The draft tourism proposal, assembled by a stakeholder coalition, articulates three priorities relevant to this study:

- tourism infrastructure
- business assistance through investment incentives and training, and
- branding, packaging and marketing^{xiii}

From Talk to Action: Grassroots Efforts on a Shoestring

While state-level taskforces have *talked* tourism strategy for the past seven years, countless regional and local groups have actually energized rural tourism from the ground up – they have done it with remarkable investments of sweat equity and with remarkably little monetary support. This blossoming of grass roots tourism initiatives is unprecedented in the history of Maine tourism.^{xiv} Giving credit where it is due, the Office of Tourism, Department of Transportation, Bureau of Parks and Lands and other state agencies have channeled small amounts of resources to these initiatives.

Regional organizations and strategies The rural tourism regions and several counties have progressed from stakeholder dialogues to multi-year strategic plans. Three examples:

- Aroostook County’s *Five Year Tourism Business Plan*
- The Piscataquis Tourism Authority’s *Piscataquis County Tourism Implementation Plan*
- The Vacationland Resources Committee’s *Destiny 2010* plan for Washington and Hancock Counties.

On a larger scale, the Maine Woods Consortium (MWC) has become the leader in Maine’s tourism training effort. MWC, a private-public-nonprofit collaboration, was founded in 2007 and spans Maine’s six most rural counties and northern Penobscot County.^{xv} MWC has also organized seven leading outdoor recreation providers to create novel vacation packages,

marketed as *Maine Woods Discovery*. And MWC's Franklin County Tourism Network is re-viving the 1990s *Franklin Loop* itinerary and map.

Packaging destination attractions: Two Host Communities There are many on-going efforts to shape attractive destinations by upgrading and combining tourist attractions, especially for experiential tourists. Greenville and Eastport are prime examples.

Greenville's Moosehead lakefront amenity investments

- Thoreau Park
- Moosehead Historical Museum
- Steamship Katahdin and maritime museum
- Natural Resource Education Center
- Improved park and launch facilities at Greenville Junction

In addition to these spring, summer and fall attractions, Greenville hosts winter snowmobile and dog sled events and there is great enthusiasm for re-opening the Squaw Mountain ski area.

Investing in Eastport's Amenities

- Sidewalks and lighting
- The Tides International Center
- The Eastport Arts Center
- Town pier – suitable for cruise ships
- 19th century residential neighborhoods.
- Salmon and Pirate Festivals (Fall), Festival of Lights and Blessing of the Fleet (New Years)

To extend Washington County's short tourism season, Eastport hosts the fall Salmon and Pirate Festivals and the New Year's Festival of Lights and Blessing of the Fleet. Both Eastport and Greenville are banking on the ability of rich public amenities to stimulate additional private investment in shopping, dining, lodging and outdoor recreation.

Trails, maps and signage galore In the latter 20th Century, Maine's outdoor recreation brand capitalized on three iconic expedition trails: the Appalachian Trail, the Allagash Wilderness Waterway and the ITS snowmobile network. Since 2000, a mix of new expedition trails and themed trails – with associated brochures, maps and signage – has become tourism's "flavor of the decade." The expedition trail roster now includes Maine Huts and Trails, the Appalachian Mountain Club's Wilderness Trails and Lodges, the Sunrise Downeast Trail and the Northern Forest Canoe Trail. New themed trails crisscross the rural landscape from the Western Mountains to the St. John Valley.

A Sampler of Themed Trails

- Maine Birding Trail
- Franklin County Loop
- High Peaks Trail
- Waterfalls and Villages of Piscataquis County
- Ice Age Trail
- Downeast Fisheries Trail
- Two Countries-One Bay Art Studio Tour
- Thoreau-Wabanaki Trail
- Kennebec-Chaudière Heritage Corridor
- Voici the Valley Cultureway

Festivals for every taste and season Rural communities have long celebrated holidays and local heritage with festivals. The recent proliferation of festival promotions indicates that they are also viewed as tourist attractions. During peak visitor seasons, regional brochures now advertise festivals on nearly a weekly basis.

Coastal Washington County Festivals

- Annual Old Home Weekend
- Calais International Festival
- Downeast Spring Birding Festival
- Passamaquoddy Indian Days
- Lubec Fall Festival
- International Festival of Lights
- Pirate Festival
- Salmon Festival
- Margaretta Festival (Machias)
- West Quoddy Head Light Keepers' Celebration

Although regional and local groups have invested heavily in these trails and special events, it is not clear from a marketing perspective how much they strengthen destination appeal.^{xvi}

MOT segues into developmental roles MOT's 2008 *Strategic Five Year Plan* makes clear that marketing remains its core mission. But within that mission, MOT's new motto – "There's More to Maine" – signals a welcome emphasis on rural destinations. The goal is "encouraging longer trips with deeper excursions into the less traveled areas of the state."^{xvii}

Marketing is also the principal use of MOT's annual allocations to the eight tourism regions, including the five regions that cover Maine's most rural counties. MOT channels small amounts of funds and staff time into destination development efforts such as itineraries and maps, trails and signage and employee training. The Department of Transportation, Bureau

of Parks and Lands and Department of Inland Fisheries and Wildlife also contribute to destination development, and the University of Maine's Center for Tourism Research and Outreach (CenTRO) has shifted more of its slim budget to employee training and small business outreach. (CenTRO's future is up in the air.)

On the promotional side, MOT's five year strategy employs sophisticated, award winning marketing tools. But on the destination development side, Maine lacks a coherent, farsighted and ambitious strategy. There has been limited effort to tap potential synergies among state agencies and between Augusta and rural regions. The findings of this study indicate that the State's limited and piecemeal support for rural destination development impedes the implementation of creative regional and local ideas.

Chapter 2

Three Destinations: Common Challenges and Unique Opportunities

This chapter explores the key components of amenity investment packages to make our three destinations more appealing, especially to first-time visitors. Regional growth opportunities and investment priorities recounted here are the foundation of state policy recommendations set out in the following chapter. We view destination strengths, weaknesses, growth opportunities and critical investment needs through the eyes of nineteen interview participants and fifty-four survey respondents. Their responses reflect subjective viewpoints, of course, and not some absolute, capital T, Truth. Nonetheless, where response patterns are clear, they are a useful guide to effective destination strategies and state supports.

Although each region has a unique destination development story, the response patterns reveal several common strengths, weaknesses, opportunities and priorities. These universal perspectives point to core investments needed by all Maine's most rural counties. We start by exploring these common perspectives, four of which warrant serious consideration:

- **Tourism activities with the greatest growth potential differ significantly from the dominant activities of the past.** Respondents prioritize investments to seize these growth opportunities, for instance strengthening downtown facilities and arts, culture and heritage offerings to attract experiential tourists.
- **Deficiencies in basic physical infrastructure are viewed as major impediments, especially poor road conditions, but also inadequate information technology.**
- **Commercial amenities – dining, lodging, shopping, entertainment – fall short of the variety and consistent high quality needed to attract high spending experiential tourists.**
- **The State's support for destination development, apart from widely-praised protection of recreational lands and waters, receives only lukewarm and in several cases strongly negative evaluations.** Green infrastructures are needed to turn accessible lands and waters into prime tourist destinations. Green infrastructure is the survey respondents' top investment priority in two of three regions. Specifically, several interview participants emphasize the importance of implementing the excellent ideas developed through the Maine Nature Tourism Initiative.

Responses to all the survey questions are summarized in Appendix 2, *Survey Responses by Case Study Region*.

Common Opportunities, Challenges and Investment Needs

Destination Strengths and Future Growth Potential

Survey respondents evaluated twelve possible destination strengths. (“Natural beauty and natural attractions” were not included, on the assumption that they would top nearly everyone’s list.) With one exception, each region has the same top four strengths: wildlife watching opportunities, a tranquil and relaxing atmosphere and access to recreationally valuable lands and waters. (Access to private land is viewed less positively in coastal Washington County.)

Shared Perspectives on Top Destination Strengths			
	County Rankings		
	<u>Franklin</u>	<u>Piscataquis</u>	<u>Washington</u>
Wildlife watching opportunities	2	1	1
Tranquil and relaxing atmosphere	1	2	3
Access to public lands and waters	3	4	2
Access to private lands	4	3	--

Commercial amenities, such as shopping opportunities and the quality and variety of dining and lodging, are not viewed as regional strengths. Service quality receives mid-level rankings in the survey, but service deficiencies are emphasized by many interview participants. Overall, responses suggest that rural Maine faces a significant challenge in getting hospitality and shopping amenities to “world class.”

Evaluation of Commercial Tourism Amenities			
Rank among twelve amenity strengths			
	<u>Franklin</u>	<u>Piscataquis</u>	<u>Washington</u>
Shopping opportunities	12	9	12
Quality of Dining/lodging	6	10	8
Variety of dining/lodging	10	7 tie	9
Quality of customer service	7	5	6

Respondents foresee major changes in the tourism economy, most importantly the continuing decline of fishing and hunting and the rise of experiential tourism. Fishing and hunting are viewed as second or third among fourteen activities in current importance, but they rate far lower in growth potential. Perhaps more surprising, Franklin and Piscataquis respondents also have low growth expectations for wildlife watching, compared to its current economic importance.

The view that experiential tourism is the biggest growth opportunity is widespread. In Franklin County, it ranks first in growth potential compared to ninth in current importance; in Piscataquis, it jumps from eleventh at present to second in growth; and in Washington, from fifth to first. Family vacations based at camps, seasonal homes and rental properties are also a highly rated growth opportunity. Experiential and family tourists have different interests and make different demands than “hook and bullet” recreationists, implying major changes in

destination investment priorities. We realize that this picture is somewhat oversimplified, since experiential tourists and vacationing families typically participate in nature-based activities like wildlife watching, hiking, rafting and fishing.

Shared Perspectives on Destination Growth Potential			
	County Rankings		
	Franklin	Piscataquis	Washington
Experiential Tourism	1	2	1
Family Vacations	2	5	5 tie
Alpine skiing & snowboarding	3	1	--
Conferences & group retreats	--	4	5 tie

Overall, the predicted changes in activity mix are greatest in Piscataquis County and least in Franklin County.

In Piscataquis and Franklin, alpine skiing and snowboarding are viewed as having great growth potential. Many Piscataquis respondents expect a revitalization of the Squaw Mountain ski area; in Franklin County they expect results from major ski resort investments. (Considering the flat trend in Northeast skiing, significant growth at these destinations requires a growing market share. That will be a challenge.)

Many Piscataquis and Washington County respondents also pin their hopes on a resort and conference center to drive regional tourism growth. In the Moosehead region, Plum Creek's Moosehead Lake Concept Plan, with its two resorts, has raised hopes for such a game changer. A large scale golf resort is also on the drawing board for southern Piscataquis County. Calais' tourism economy would get a boost from the oft-proposed tribal casino complex. And Donna Loring's accompanying essay describes the Maine Tribes' vision of a Wabanaki Cultural Tourism Center, which could also be a major destination anchor.

Appendix 2, Tables F3, P3 and W3 show the full pattern of growth expectations.

Destination Weaknesses

Respondents assessed eleven possible destination weaknesses. Their opinions regarding the four most serious weaknesses reveal two universal and perhaps obvious shortcomings: remoteness and weak destination branding and promotion. (We share the view that branding and promotion of rural destinations are deficient, but they are not the focus of this study.) Long travel distances, both to and within the rim counties, are an inherent competitive weakness, although high quality transportation infrastructure could mitigate remoteness somewhat. Most interviewees stress that poor road conditions actually compound the distance problem. As a Piscataquis informant laments:

The roads in Piscataquis County are in such terrible shape. It's hard to tell people to go and enjoy the Moosehead region when the road to Greenville is so rough that people wonder if the suspension will snap by the time they reach Abbot.

Several interview participants also stress the lack of alternatives to personal vehicle travel.

Shared Perspectives on Greatest Destination Weaknesses			
	County Rankings		
	<u>Franklin</u>	<u>Piscataquis</u>	<u>Washington</u>
Distance and travel time	2	2 tie	1
Branding and Promotion	1	2 tie	2
Lack of a destination resort	--	1	3
Limited shopping opportunities	3	4	--

Consistent with experiential tourism's great expected growth potential, respondents point to limited shopping opportunities as a serious weakness in Franklin and Piscataquis Counties.

All in all, Piscataquis respondents consider their destination weaknesses to be considerably more serious than respondents in the other two regions.

Common Views of Current Amenity Investments and State Support Measures

Respondents evaluated the scope and quality of nine types of current and planned amenity investments in their regions, rating them as poor, fair, good or excellent. (Rankings reported in the following table are based on average responses.) Majorities in each county rate investments to protect recreational lands and waters as good or excellent. Consistent with this viewpoint, access to recreational lands and waters and the quality of outdoor recreation services are also viewed as the two *least serious weaknesses*.

Apart from land conservation, however, few current investments receive a majority of good or excellent assessments. Green infrastructure investments, such as trails, directional and interpretive signage, visitor information kiosks and scenic byways rank high in Franklin and Washington Counties, but not in Piscataquis. As we will see, even where current green infrastructure efforts receive comparatively high marks, respondents believe much more is needed. In sum, these regions are well endowed with basic outdoor recreation assets but need more complementary green infrastructures to strengthen destination appeal.

Arts, culture and heritage investments rank among the top four current investments in each region. Yet only in Piscataquis does a majority give them good or excellent evaluations.

For the other six investment categories, majorities confer poor or fair assessments, although the specifics of county rankings vary widely. In general, Franklin County respondents are most positive and Piscataquis respondents most negative about current destination development efforts. (See Appendix 2 Tables F6, P6 and W6 for details.)

Shared Perspectives on Current Amenity Investments in Region**Highest Rated Investments**

In parentheses: percentage of good and excellent evaluations

	Ranking by county		
	<u>Franklin</u>	<u>Piscataquis</u>	<u>Washington</u>
Protecting lands and waters	1 (84%)	1 (67%)	1 (67%)
Arts, culture & heritage	4 (42%)	2 (50%)	5 (38%)
Green infrastructure (trails, signage, etc.)	2 (68%)	3 (42%)	3 (46%)

Two of the most serious investment shortfalls are regional and town road maintenance and downtown revitalization. Franklin and Washington respondents also have a notably dim view of current efforts to improve customer service via employee training and small business outreach.

Shared Perspectives on Current Amenity Investments in Region**Four Lowest Rated Investments**

Rankings based on the average of survey responses.

1= the lowest rated category; "--" means not rated among the lowest four by the region

In parentheses: The percentage of poor and fair evaluations

	Ranking by County		
	<u>Franklin</u>	<u>Piscataquis</u>	<u>Washington</u>
Regional roads and transportation	3 (63%)	4 (67%)	2 (93%)
Enhancing town buildings	2 (74%)	3 (92%)	4 (92%)
Enhancing town roads and parking	1 (63%)	-- (55%)	1 (82%)
Improved customer service	4 (63%)	-- (58%)	3 (75%)

Respondents take an even dimmer view of the State's support for destination development. The only state measure to receive mostly good and excellent ratings is protection of lands and waters – in Franklin and Washington Counties. In Piscataquis, just 27% give the state a good or excellent rating in that category.

At least two-thirds of respondents in every region grant the State only poor or fair marks for the following measures: town and village revitalization, employee training, cell phone and internet service, market research, promotion of the region within Maine and promotion outside Maine. (These branding and marketing concerns also predominate in responses to an open-ended question about priorities for future state support.)

Shared Perspectives on State Tourism Support:**Four Highest Rated Supports Based on Average Rating** (among nine categories)

Rankings based on the average of survey responses.

1= The highest rated category; "--" means not rated among the highest four by the region

In parentheses: The percentage of good and excellent ratings

	Rating by County		
	Franklin	Piscataquis	Washington
Protection of lands & waters	1 (70%)	2 (27%)	1 (50%)
Small business support	3 (20%)	1 (36%)	2 (43%)
Downtown revitalization	-- (10%)	3 (27%)	4 tie (29%)
Green infrastructure	4 (20%)	-- (0%)	3 (31%)
Arts, culture & heritage	-- (5%)	4 (27%)	4 tie (29%)

Four Lowest Rated Supports Based on Average Rating (among nine categories)

Rankings based on the average of survey responses.

1= the lowest rated category; "--" means not rated among the lowest four by the region

In parentheses: The percentage of poor and fair evaluations

	Rating by County		
	Franklin	Piscataquis	Washington
Cell phone and internet service	1 (85%)	1 tie (91%)	2 (84%)
Promotion of region outside Maine	3 (94%)	4 (82%)	3 (77%)
Promotion of region within Maine	4 (89%)	1 tie (91%)	4 (79%)
Roads and transportation	-- (55%)	3 (91%)	1 (93%)

Amenity Investment Priorities

Respondents were asked to prioritize nine amenity investments. The top priorities are widely shared. Not surprisingly, improvements in transportation infrastructure rank high everywhere and top the list in Washington County. As mentioned, additional green infrastructure investments are given highest priority in Franklin and Piscataquis but are not a high priority for Washington County respondents (reasons for this disparity are explored in the Washington County report, below). Investments that are crucial for enhancing experiential tourism – arts, culture and heritage and attractive town buildings – are highly prioritized everywhere. In the words of a Franklin County respondent:

Long term economic distress in the region has impacted the condition of many downtown businesses, homes and public buildings – this is part of the region's image and communicates a message about the quality of the experience a visitor will have here.

Shared Perspectives on Amenity Investment Priorities			
	County Priority Rankings		
	Franklin	Piscataquis	Washington
Upgrade region's transport infrastructure	4	2	1
Arts, culture & heritage assets	5	3	2
Refurbish town buildings	3	5	3
Green infrastructure: trails, signage, etc.	1	1	--

The survey and interview responses support two summary observations:

First, respondents emphasize that destination appeal can be undermined by poor quality roads to and within their regions. The rim counties are quintessential “drive to” destinations, without realistic near term alternatives to personal vehicle travel. The tendency of Franklin County respondents to view distance as a somewhat less serious and road improvements as a lower priority reflects two realities: Franklin destinations are somewhat closer to Portland and Boston; and highways to and through the region are in comparatively good condition, apart from Rte. 17 between Height of Land and Oquossoc.

Second, most respondents applaud the accomplishments of the State and other entities to protect recreational lands and waters. Although many respondents prioritize additional state conservation investments, further conservation is viewed as less important than enhancing the quality of outdoor recreation experiences by means of high quality green infrastructures. Washington County respondents give lower priority to both conservation and green infrastructure, apparently based on the belief that their region has benefited from a host of recent investments in conservation, trails and signage.

A cautionary note: broadly similar responses are not the same as consensus, either within a region or among the three. In addition, respondents' answers are not entirely consistent. For instance, Piscataquis and Washington County survey respondents do not give small business assistance and employee training high priority in a closed-ended question, but these investments rank near the top in an open-ended question about recommended state supports.

Common Organizational Challenges

The high degree of current regional and county collaboration in tourism development is historically unprecedented. Strategic plans have been developed and creative ideas implemented by the Franklin County Tourism Network, the Piscataquis Tourism Authority, the Vacationland Resources Committee and the overarching Maine Woods Consortium. The lead organizations also include economic development bodies, such as the Greater Franklin Development Corporation, Piscataquis Economic Development Council, Washington County Council of Governments and Sunrise County Economic Council.

Key informant interviews opened a window onto both the accomplishments and the shortcomings of collaborative efforts. Participants spoke with pride about their personal involvements and regional successes, but they also shared common frustrations.

- First, the state-designated tourism regions make limited sense in the rim counties, either as destinations or as planning units. That seems true for all of our case study regions:
 - The far flung Lakes and Mountains Region extends all the way from Sebago Lake near metropolitan Portland to the sparsely populated Quebec border;
 - The Highlands region includes both deeply rural Piscataquis County and metropolitan Bangor, with its convention center, Hollywood Slots, shopping malls and major folk festival;
 - In the Downeast-Acadia Region, remote and lightly traveled Washington County is paired with heavily visited Acadia and booming portions of Hancock County.
- Second, although great strides have been made to develop county tourism strategies, internal tensions persist over vision, mission, funding and responsibility. Further effort is needed to heal divisions, for instance between the Franklin County Tourism Network and the Franklin County Chamber of Commerce, and between the Moosehead region and the less prominent Piscataquis destinations.
- Third, enthusiasm for the Maine Nature Tourism Initiative has turned to skepticism in some quarters. As a Franklin County participant put it, “Nothing comes of it after a bunch of us worked so hard on it. I don’t know how many things like that I’ve seen.” Her critique of the minimal state funding to implement creative ideas is echoed by other interviewees.
- Fourth, town-centered parochialism inhibits destination-wide collaboration to some degree in each county.
- Fifth, tourism businesses, with exceptions, have not stepped up to lead regional destination efforts. Peak season time pressures and travel time to meetings undoubtedly limit business participation. But, the problem goes deeper. Several interviewees echo sentiments expressed by a Piscataquis informant:

You have some solid leadership in the private sector for their own ventures, but my experience has taught me that when you move them into a larger perspective, they tend to have too small of a concept [and] limited patience and persistence. They get frustrated and say ‘this is a waste of time.’

The state cannot solve these problems of regional organization, leadership and morale, but it can help sustain a positive momentum in ways we suggest in Chapter 3.

Realizing Franklin County's Summer-Fall Destination Potential

Franklin County's Rangeley Lakes region has a venerable tradition of relaxed summer family vacations and outstanding fishing. Franklin County (FC) has also become a leading Northeast winter sports destination for alpine skiing, snowboarding, snowmobiling and, on a smaller scale, cross country skiing. Looking forward, most respondents believe the county's greatest growth potential lies in experiential tourism and in the summer and fall seasons. However, most share the view that FC lacks a compelling brand, or even a recognizable identity, for this type of tourism.

Franklin County does not need much additional public investment to strengthen its position in the winter sports market. This might seem puzzling, since survey respondents see significant growth potential in winter sports, ranking alpine skiing and snowboarding third among fourteen activities. In fact, a sizable minority rank skiing first in growth potential, presumably expecting a major payoff to recent investments at the Saddleback and Sugarloaf ski areas. Snowmobiling is tied for fourth in perceived growth potential with Nordic skiing, spurred by the launch of Maine Huts and Trails, sixth.

Time will test the accuracy of these expectations, but for two reasons winter sports do not warrant priority in FC's destination development strategy. First, the requisite physical infrastructure, hospitality services and marketing effort are already highly developed and being improved. Second, apart from year-to-year fluctuations, participation in skiing and snowmobiling in the Northeast has been flat or declining for the past decade. Thus, significant Franklin County winter sports growth implies a growing market share. This is problematic, since competing Northeast ski destinations, most of them closer to large population centers, are making similar efforts. Franklin County's distance disadvantage is suggested by an interview comment: "We're just half an hour farther from Boston than Sunday River, but they get twice as many skiers." In sum, it is doubtful whether public investments can significantly boost winter sports growth.

Survey responses reinforce our own sense that FC's key challenge is to attract more first-time experiential tourists. The region is already very effective at bringing back repeat visitors. Predicted experiential tourism growth exceeds that of other activities by a wide margin. Family vacations at seasonal homes, camps and condos are second, though an interviewee cautioned that the core group of long time family vacationers is ageing and needs rejuvenation. (Families are winter as well as summer visitors.) The responses suggest that destination development and promotion should target empty nesters and families in the summer and empty-nesters and retirees in the autumn. (See Appendix 2, Tables F3, F4 and F5 for detailed survey responses.)

Surveys convey a collective awareness of FC's specific amenity gaps and interviews reveal a strong shared sense of the region's more general failure to weave together tourist attractions into a cohesive and compelling summer-fall destination. One respondent captures that problem well:

A lack of coordination among assets and destinations inhibits the creation and promotion of a critical mass of visitors' activities.

By and large, respondents are optimistic that these asset gaps and organizational deficiencies can be overcome. The most serious weaknesses identified through surveys are inadequate branding and promotion (70% view it as major weakness) and remoteness from major population centers (38% view it as major weakness). Interviewees also stress lengthy travel times between attractions in the Farmington-Rangeley corridor and those in the Farmington-Carabasset corridor. This makes it more difficult to create a cohesive experiential tourism destination.

Notwithstanding their general optimism about future prospects, most respondents recognize some weakness in every amenity category other than outdoor recreation services. As mentioned, two assets with fairly high “major weakness” ratings are green infrastructures (19%) and the condition of towns and villages (15%). Strengthening both requires greater public investment.

Although downtown revitalization projects are underway in Kingfield, Rangeley and Farmington, the region’s towns face a cluster of real and perceptual problems captured by the following comment:

Depressed economy and a lack of zoning and community-level embracing of tourism, outside of traditional destinations Rangeley and Sugarloaf, lead to, quite, frankly, unattractive small towns.

Alison Hagerstrom’s accompanying essay presents the case for focusing the downtown revitalization effort on Farmington, to make it an outstanding arts-culture-hospitality-shopping destination as well as a more effective gateway to the larger region. The “build on the best” strategy implicit in Hagerstrom’s proposal poses a dilemma: with state funds so limited, many communities would receive no assistance. Informants express conflicting opinions about this difficult choice:

- *Start with high attraction areas, make them high quality in every respect, then build out.*
- *Prioritize support of viability in the non-resort communities.*

The implications for state tourism policy are discussed in Chapter 3.

To broaden the range and improve the quality of dining, lodging, shopping and entertainment, private investment is the key, although state and local measures can strengthen business incentives. Just over half of survey respondents describe customer service as a minor weakness, with an additional 11% viewing it as a major weakness. They rank improved customer service second in investment priority. Most interview respondents consider the customer service problem to be serious. As one puts it,

Service is by and large poor. Guest service, it’s not in the culture...In Europe and resort towns of the West it’s much more part of the culture.

Here’s the rub: the present quality of service appears adequate to bring back repeat visitors, but a reputation for excellence is needed to attract more first-time visitors, especially high

spending experiential tourists. This interpretation squares with findings of the “Maine Visitor Prospects” survey conducted for the Office of Tourism. Two-thirds of 2008 overnight visitors to Maine view Maine’s customer service quality positively compared to other destinations. However, among past visitors who chose not to return to Maine, only 41% compare Maine’s service positively. Most importantly, among “prospects” who have considered but never taken a Maine vacation, just 23% view our customer service positively (Davidson Peterson 2009: 124). Bruce Hazard’s side-bar essay describes the Maine Woods Consortium’s important pilot initiative to ratchet up tourist service quality – and tourism job quality – through training programs targeting both frontline employees and managers. A respondent stresses that “the training needs to go beyond just service and into product development, delivery and marketing.”

The region’s arts, culture and heritage assets are also viewed as important attractions for new experiential tourists and family vacationers, although most respondents would agree with the following interview comment:

Realistically, culture, heritage and events are secondary, though still important in developing and branding the destination.

Limited arts-culture assets are generally viewed as a minor weakness, even though Franklin County has numerous museums, historical sites, arts events and thematic festivals. Their quality is uneven and they have not as yet been assembled into compelling itineraries. The *Franklin Loop* itinerary and map, being developed by the Franklin County Tourism Network, is the main effort to overcome those twin obstacles. Indeed, respondents hold a fairly positive view of the Franklin Loop initiative and related efforts to upgrade and network assets, but not of the State’s contribution: half are strongly critical of the State’s effort. (See Appendix 2 tables F6 and F7.)

In sum, survey respondents generally prioritize investments to strengthen Franklin County as an experiential tourism destination – and also as a place to live. The top five priorities are green infrastructure, customer service, town and village buildings, regional transportation infrastructure (i.e., roads) and arts, culture and heritage attractions.

A “Big Push” in Farmington?

Franklin County needs a culture and hospitality hub if it seeks to become a preferred experiential tourism destination. Interview participants emphasize that in the past, Farmington’s self-image has been as a university, health care and regional trade center for the surrounding farm and manufacturing communities – not as a tourist destination. The primary focus of the Greater Franklin Development Corporation and Franklin County Chamber of Commerce has been on other priorities, particularly reviving manufacturing.

Nonetheless, Farmington already is a destination, with its charming downtown, university cultural programs, festivals and Route 4 shopping strip. In-town shops and eateries depend significantly on pass-through tourists, such as winter skiers and fall “leaf peepers.” The University prepares young people for the region’s growing occupations, as exemplified by the

new Outdoor Recreation and Business Administration (ORBA) degree program. And the Downtown Business Association clearly “gets it.” Alison Hagerstrom explains that local attitudes and economic development priorities are evolving as Farmington’s leaders and citizens better understand tourism’s potential contribution to economic sustainability and quality of life. But is it good strategy for the State to privilege a few promising rural destinations like Farmington at the expense of less promising rural communities? We address that question in Chapter 3.

Connecting the Experiential Dots

Respondents see Franklin County’s natural beauty, nature-based activities and tranquil setting as its prime attractions, but they also view experiential tourism as its greatest growth opportunity. A key informant describes both the challenge and opportunity:

On the experiential side, I think we’re very underdeveloped in the sense that [although] we have really good assets, they’re not particularly well organized, linked or promoted. So, that seems to me like the low hanging fruit.

At the same time,

There’s very little understanding in the marketplace of what’s there... Certainly when you say “Franklin County,” you’re not calling anything to mind. “Lakes and Mountains” – sure that’s better, but it’s not like the Adirondacks or Northeast Kingdom where I get a really fully developed image in my mind when I hear that tag.

How to create – and brand – a regional destination that is greater than the sum of many modest parts? Each of our case study destinations is grappling with that challenge. The investment priorities described here, given a sharp focus by the Franklin Loop initiative and anchored by a charming Farmington gateway, might do the trick.

Piscataquis County: “Thinking Big” in Two Places

Piscataquis’ prime destination, the Moosehead Lake region, is home to two fairly distinct tourism traditions. One tradition continues today in the spirit of Thoreau’s wilderness adventures. As an informant puts it, “Greenville is gateway to the greater north Maine woods...more or less the frontier.” Four season backcountry recreation continues to anchor the region’s tourism economy, but as we have noted, these activities have very limited growth prospects, except as activities pursued by experiential tourists and family vacationers. Respondents concur in this assessment: they consider snowmobiling to be the region’s economically most important activity today, but it ranks only seventh in perceived growth potential; fishing and hunting are second today, but 12th in growth potential; canoeing and kayaking drops from fourth today to ninth in potential, and wildlife watching drops from fifth to tenth.

The second Moosehead tradition is leisurely summer vacations at full service resorts, inns and lodges. Nearly all of those epoch-making facilities disappeared with the Great Depres-

sion and the advent of briefer automobile-based vacations. Nonetheless, most respondents consider an updated version of that venerable experiential tourism model to be the region's major growth opportunity, along with rejuvenation of alpine skiing at Squaw Mountain, discussed below. Their great hope is that a developer will be persuaded to invest in a resort and conference center, reviving the Mt. Kineo Hotel precedent. In this vision, outdoor recreation in beautiful lake and mountain landscapes continues to be the region's main attraction:

Soft outdoor adventure accessible to novice outdoor people...You've got to make it safe and inviting for everybody: the non-outdoorsy spouse, the young child, the grandparent. It's not a lot of dollars and cents [for the green infrastructure] to make something like that happen.

In recent years, the Piscataquis Tourism Authority (PTA) has created a solid planning framework and launched an array of destination development initiatives, with the Piscataquis Economic Development Council's backing. However, county funding for destination development has faced serious cuts in the current fiscal crisis and the future of county support is unclear. Under the Maine Nature Tourism Initiative, Piscataquis has prioritized green infrastructure investments in trails and signage, such as the Villages of Piscataquis, Waterfalls of Piscataquis and the Brownville and Peaks-Kenney nature walks. Downtown investments, most notably in Greenville and Dover-Foxcroft, are improving their attractiveness as back-country gateways. In one interviewee's opinion:

I think most of the downtown centers are pretty decent. You don't drive through and see whole blocks of boarded-up windows the way you do in some places. They've managed to keep that nice small town feel...[And] we have a surprisingly large number of cultural and heritage attractions for such a rural community.

Nonetheless, Piscataquis has no centrally located, charming, culturally rich gateway comparable to Farmington.

The PTA's incremental efforts exemplify what an informant calls the "Piscataquis small think bias," a tendency reinforced by limited county and state support to implement proposed initiatives. "Big think" ideas are in the air and our purpose is to encourage them and suggest how the state can best support them.

Bigger, bolder thinking is needed for two reasons. First, Piscataquis County suffers from serious "destination dualism." Unlike the Moosehead region, which draws tourists from the entire Northeast and beyond, southeast Piscataquis' lakes, mountains, trails and towns remain virtually unknown outside Maine – and even to a large extent within the state. Well targeted amenity investments have the potential to remake this underdeveloped region into a compelling destination for first-time visitors "from away" while also encouraging repeat visitors and pass-through travelers to stay longer and spend more. Second, the Moosehead region's traditional outdoor recreation mainstays face stagnation. Sporting camps are being closed and "condo-ized," many outfitters have shut their doors, and the Squaw Mountain ski facility is deteriorating. Greenville's shaky commercial sector and the uncertain future of its hospital

and high school reflect these trends. Bold private sector investments could move the Moosehead region back toward the prominence it enjoyed a century ago.

Southern Piscataquis' lake and mountain hinterland has a long recreational history, with Monson, Dover-Foxcroft, Milo and Brownville as no-frills gateways. The Appalachian Trail's (AT) 100 Mile Wilderness, in particular, has iconic status among serious hikers. Although hikers boost Monson's summer and early autumn commerce, the AT by its nature is not a big source of tourist spending or job creation. The region also hosts thousands of campers and hundreds of camp owners whose spending supports the local economy to a limited extent. We infer from interviews that the region's chambers of commerce, public officials and residents are awakening to bolder tourism opportunities. The on-going closure of manufacturing facilities, such as Dexter Shoe, Guilford Industries and Moosehead Furniture adds urgency to their search for new lead sectors.

The PTA is shaping southern Piscataquis' natural assets and modest cultural attractions into itineraries that may encourage some current visitors to stay longer and spend more and might attract some first-time visitors. However the region's appeal to high-spending overnight visitors is limited by several factors:

- Poor roads and long distances from major population centers
- Extremely limited dining, lodging and shopping options
- Green infrastructure gaps (information kiosks, directional and interpretive signage, trails, scenic turnouts, parking, etc.)

Above all, the region has lacked a bold destination concept to unite its towns and stakeholders in a "big push" effort. A major "destination driver" and a recognizable brand have been missing. Some hopes have been pinned on a proposed golf resort at Norton Pond in Brownville. That initiative limps along, but the odds are not good. In the meantime, the Appalachian Mountain Club has leapt into the breach with its ambitious "Maine Woods Initiative." AMC's project, radically different from golf links and five star hospitality, keeps faith with the region's back country recreation heritage. The accompanying essay by Roger Merchant and Bryan Wentzell explores the destination development strategy behind AMC's 67,000 acre, \$50 million project. They make a persuasive case that it can be a "game-changer" for the region, attracting new overnight visitors of both the "hard" and "soft" adventure types, turning the 100 Mile Wilderness into a potent brand and boosting the economy of surrounding gateway communities. Interview participants see the Maine Woods Initiative as the key connecting piece in a landscape-scale Moosehead-100 Mile Wilderness-Katahdin destination.

In the Moosehead region, Greenville's town officials, chamber of commerce and nonprofits realize that reviving three season tourism growth is a key to economic prosperity and sustainable community institutions. Their commitment is embodied in amenity investments aimed at experiential tourists: the Moosehead Historical Museum, Environmental Learning Center, steamship Katahdin, Maritime Museum, Thoreau Park and improved recreation and boat launch facilities at Greenville Junction.

Survey and interview respondents alike are convinced that reviving the Squaw Mountain ski area, to complement the snowmobile economy, is the key to winter tourism growth. In fact, survey respondents rate alpine skiing and snowboarding the county's number one tourism growth opportunity. Greenville's town manager explains that "residents really want to see Squaw Mountain come back – for the winter economic boost, for community use and for pride." (It is not clear whether a revived Squaw Mountain could actually wrest significant market share from rival New England ski resorts, given the stagnant Northeast market and rival ski areas' established reputations, facilities upgrades and locational advantage.)

Some winter sports optimists espouse a still bolder vision: the Moose Mountain destination resort proposed by Plum Creek Timber and approved at the re-zoning stage by Land Use Regulation Commission. (Survey respondents consider the *lack* of a resort and conference center to be the region's most serious destination weakness – even more serious than travel distance, poor road conditions and weak promotion.) Plum Creek won approval for a four season family resort combining outstanding snowmobiling, Nordic skiing, skating and hospitality options to make Moose Mountain one of the Northeast's prime winter destinations. In the summer and fall seasons, the Moose Mountain resort – and a more upscale resort proposed for Lily Bay – would offer outdoor recreation, shopping and cultural and hospitality attractions for experiential tourists and avid outdoors people alike. A Moose Mountain resort and conference center of the scope envisioned by Plum Creek and desired by survey respondents might return the region to its glory days. It might even induce a revival of excursion train service from Bangor and Quebec.

To the best of our knowledge, no resort developer has jumped at the chance to exploit the Moose Mountain or Lily Bay opportunities. These are not promising economic times for major resort investments, especially in Maine's remote interior. However, Donna Loring's accompanying essay describes an exciting possibility: the Maine Tribes' proposed Wabanaki Cultural Tourism Center. Chapter 3 explores state policies to encourage such a "destination driver."

While Moosehead resorts remain at the talking and dreaming stage, the Appalachian Mountain Club is actually committing millions of dollars to the Maine Woods Initiative. Respondent priorities for state investment center on road improvements, effective branding and promotion and additional green infrastructures. These are right in line with what is needed to make the 100 Mile Wilderness a high profile destination for first-time overnight visitors. With AMC's initiative and those state-supported measures in place, it would be much easier to meet southern Piscataquis' next big challenge: inducing entrepreneurs to invest in dining, lodging and shopping amenities in the regions' gateway towns.

The Bold Coast and Passamaquoddy Bay: Getting There

Idealized Images

We have long thought that coastal Washington County could be an outstanding summer and fall destination, especially for "mature" experiential tourists with ample time for travel and a desire to experience a blend of extraordinary coastal landscapes and authentic, uncongested

coastal communities – communities that, as an interviewee put it, are “not Bar Harbor.” Indeed, experiential tourism overwhelmingly tops respondents’ forecasts of growth potential, while empty nesters and retirees are by far the top predicted growth cohorts. Respondents believe that family vacations at seasonal homes and rental properties are also an important, though secondary, summer growth opportunity. The latter expectation is supported by non-residents’ growing ownership of the housing stock in coastal towns. One informant is emphatic that “the second home owners are every bit as much a part of the tourism market. In fact, it’s a hugely important part.”

What is special about the region’s natural attractions? The bold and largely untamed coastline, with phenomenal tidal fluctuations; outstanding opportunities to view charismatic animals such as whales, puffins and eagles; a wealth of accessible, well-signed and not-too-rigorous trails. Indeed, two components of a typical experiential tourism package, wildlife watching and canoeing/kayaking, rank second and third in predicted growth potential. Contributors to the Downeast Nature Tourism Initiative – the Bureau of Parks and Lands, Department of Transportation, Maine Coast Heritage Trust, Maine Island Trail Association and others – are collaborating to enhance recreational access and experiences. Compared to the other two case study regions, significantly more Washington County respondents (41%) view the destination’s green infrastructures as a major strength.

What is special about the region’s culture and heritage? There is Passamaquoddy, Acadian and Loyalist history; the country’s easternmost lighthouse; a 400-year fishery tradition highlighted by the new Downeast Fisheries Trail; several additional themed trails; seasonal festivals galore; an Eastport arts, culture and shopping scene that is “starting to feel like a mini-Camden”; plus the number one tourist attraction, Roosevelt-Campobello International Park. Over half of respondents consider arts, culture and heritage to be a major destination strength (considerably more than in the other two regions), and this cluster of attractions ranks fourth in economic growth potential.

Visitors can enjoy all these attractions and not have to contend with Acadia-Bar Harbor’s crowds, “glitz,” and high prices. The “not Bar Harbor” reputation is widely viewed as one of coastal Washington County’s major strengths. One informant noted with pride that the entire county has just two stop lights. Others have a similar take on the special niche opportunity:

- *We have what very, very few places on the eastern seaboard have – an undeveloped, clean, natural world right at your doorstep.*
- *The region remains authentic and contains a culture and heritage not found elsewhere in the state.*
- *You can experience the real deal here.*

Unfortunately, a less enthusiastic interpretation of “the real deal” is also possible. Washington County has been viewed with some justification as a remote and chronically poor backwater with a reputation for inhospitable “natives,” a strange local culture, shuttered storefronts, mediocre dining and lodging and a brief four month season for tourism businesses to eke out a profit.

Whichever image of “the real deal” is closer to the truth, the *Downeast* brand has failed to propel a tourism takeoff, despite a history of destination development efforts. In fact, we glean from interviews that there is not full agreement on what the *Downeast* destination is. Some espouse a large scale concept: Downeast-and-Acadia or “Two Nations One Bay.” For others, all of Washington County comprises the destination, including the interior Downeast Lakes, Machias River watershed and blueberry barrens. Even visions limited to the coast range from the broad – Machias Bay to the St. Croix estuary – to the narrow – Cobscook Bay and its communities. Our study is framed around the larger coastal vision, highlighting the Bold Coast and Passamaquoddy Bay as potential brand identifiers.

Informants express hope mixed with disillusionment. Calais’ multi-million dollar Downeast Heritage Museum survived just a few years. The privately run Lubec-Eastport water taxi service operated in 2008 but not in 2009. Eastport’s effort to attract cruise ships has thus far borne little fruit, although one ship is booked for September 2010. A previous attempt to turn Eastport into a tourist magnet, in the 1980s, failed to generate sufficient tourism demand to sustain the expanded infrastructure and supply of services.

Our own guarded optimism rests on several positive factors and a simple back-of-the-envelope calculation. The positive factors:

- A critical mass of attractive sites selected for the Downeast Nature Tourism Initiative (The scarce ingredient is money.)
- The possibility that Washington County will be selected as a pilot region in the federally-supported Keeping Maine’s Forests Initiative (Granted, this may target interior Washington County rather than coastal destinations.)
- Eastport’s well-developed destination amenities
- Roosevelt-Campobello’s appeal to historically-minded Americans and Canadians

Back-of-the-envelope: if coastal Washington County could induce just 5% more of Acadia’s visitors – 100,000 people annually – to travel a couple hours farther downeast and spend a couple of nights at commercial lodgings, that alone would triple the county’s current “marketable overnights” (72,000 in 2007). That seems like a rather modest growth objective. At an average of \$100 spending per day, 200,000 additional visitor days would generate \$20 million in additional tourism revenues, make scores of economically marginal businesses profitable and create about 400 fulltime equivalent jobs, at one job per \$50,000 of spending. (For basic data, see Springuel 2007: 11, 15.)

Getting There

What cluster of destination investments and what branding strategy are required to “get there from here”? The disappointing results of some past tourism initiatives give us pause, as does Washington County’s fundamental weakness: its remoteness, combined with long internal distances and the lack of convenient, comfortable transportation alternatives. Survey respondents rate distance and poor road conditions the destination’s most serious weakness.

As a Lubec respondent puts it, “there are really bad, bad roads between here and Machias. Route 1 is an embarrassment.” Another, who believes the entire Passamaquoddy Bay region could be an outstanding two-nation destination, notes the gap between Maine’s poor road conditions (apart from Route 9) and New Brunswick’s quality highways. Two informants also critique the minimal ferry and water taxi connections on the U.S. side of the border. Better transportation infrastructure is clearly crucial: respondents give it highest priority among nine destination investments. Beyond road improvements, however, it is not obvious which transportation investments would be cost-effective: experimentation is needed.

Distance need not be an insuperable obstacle. After all, over half a million visitors travel to Acadia by car from New York or beyond (Kelley 2009: 3). Several informants suggest creative ways to overcome distance. One envisions a network of water-and-land options, making car-free travel an exhilarating tourist experience in its own right. She suggests an experiment with package tours linking Bar Harbor and Eastport by high speed ferry and a water taxi service connecting Eastport with Lubec, Robbinston, Calais, St. Croix Island State Park and New Brunswick’s ferry service. Another informant stresses Cobscook Bay State Park’s central location, just 20-30 minutes drive from Machias, Calais, Lubec and Eastport. She proposes minimizing internal travel times by building-out the park’s facilities to make it the region’s tourism hub, perhaps even hosting the resort and conference center that so many wish for. Certainly a bold strategy is needed to overcome distance. The State will have to play a major role in any solution and further brainstorming between the Department of Transportation and local stakeholders is in order.

Next to distance and road conditions, ineffective branding and promotion is perceived as the destination’s most serious weakness. Deficient promotion is a solvable problem, once the destination itself is sufficiently accessible and appealing. Judy East’s essay on the “Discover Downeast and Acadia” mapping project describes an exciting initiative to create experiential tourism itineraries and at the same time promotes them.

The present condition of town and village centers is considered a destination weakness by 88% of respondents, and most are critical of current downtown improvement efforts. Respondents rank arts, culture and heritage amenities second among nine investment priorities and enhancing the attractiveness of town centers third. Only improving transportation infrastructure is seen as more urgent. Of course towns differ in their destination potential and their investment needs. Eastport has a scale advantage over the region’s smaller villages and it has already made impressive progress on many fronts. Calais too has a scale advantage, but it fails the charm test. And while little Lubec may not have great destination potential, it has made itself much more attractive, both to local vacationers and pass-through visitors.

Commercial amenities are also widely viewed as a destination weakness. Respondents rank the lack of a destination resort and conference center the third most serious of eleven weaknesses. The quality and variety of lodging and dining ranks fifth, quality of customer service sixth and limited shopping opportunities seventh. Eastport is the region’s standout destination for dining, lodging and shopping. Still, based on our first hand observations and inquiries with local business operators, most Eastport businesses have substantial underutilized capaci-

ty even at the summer peak. Entrepreneurs familiar with Eastport's short-lived 1980s tourism push will hesitate before following a risky "build it and they will come" strategy. A "big push" strategy covering several towns and many amenity fronts is probably needed to overcome investors' inertia.

Building a destination to attract demanding and high spending experiential tourists – like the New Yorkers who flock to Acadia – means building a reputation for thorough-going quality. Most survey respondents rate service quality as a mid-level weakness (20% view it as a major weakness), and they rank customer service/training only sixth among nine investment priorities. Key informants, on the other hand, see the service problem as more serious and offer valuable insights into the customer service challenge:

- *It is shocking to come back here from the [Canadian] Maritimes and realize how 'visitor indifferent' we are by comparison.*
- *It gets to attitudes. Tourists stop in for gas and ask, 'What's there to do around here?' – 'Nothin'.*
- *The poor attitudes and awareness of employees don't have to be pervasive to be a problem. About 10% of businesses are weak.*
- *This is [seen as] the affordable place – but don't expect a lot of service! I think we need to tweak that to reach the high end.*

There is hope on this front. Degree and certificate programs at the University of Maine at Machias and Washington County Community College address service quality. Washington County's Tourism Training Initiative, described in Bruce Hazard's essay, offers both owner-managers and frontline employees customer service instruction.

In sum, countless minor investments and a few major ones are underway, from Machias to Calais, but Downeast Maine faces three uncompleted destination development tasks:

- Strengthening the quality and reputation of tourism products
- Creating a destination whole that is larger than its scattered and modest parts
- "Getting people there," literally by improving transportation and figuratively, through a potent branding effort

An interviewee sums it up: "The challenge of the day in all these areas is the lack of investment dollars."

INVITED ESSAYS

Farmington's Untapped Potential as a Destination and Gateway

Alison A. Hagerstrom

Farmington, the county seat of Franklin County, early on became the gateway to the Rangeley Lakes and the Sugarloaf Mountain regions. The village rises above the scenic Sandy River Valley with gorgeous views – a tourist destination yet to be fully discovered. The potential exists to entice visitors on their way to or from other Franklin County destinations and Canada to add a day or two to their itinerary in Farmington.

Many assets contribute to Farmington's uniqueness: its natural beauty, the historic downtown shopping village with a nice mix of eateries and the historic "Walk Around Farmington" trail. Cultural events on the University of Maine at Farmington campus complement the outdoor recreational attractions of the Rangeley and Carrabassett Valley regions.

Farmington is already the shopping destination for Franklin County's second home owners and vacation renters. Its growth potential as a destination depends greatly on additional amenity investments. In April 2011, UMF will open its Emery Community Arts Center, featuring flexible exhibit and performance spaces and an outdoor theater and arts quad. The new arts center, along with the recently opened 86-room Comfort Inn and Suites just three miles from downtown Farmington, create a venue for high-profile multi-day events and festivals. UMF and the Farmington Downtown Association have already begun to strategize about these possibilities. Other collaborators include the Franklin County Chamber of Commerce and the Town of Farmington. These creative efforts have been recognized by the Maine Downtown Center, which recently designated Farmington as a charter member of the new Maine Downtown Network.

Several additional investments will secure Farmington's arts, culture and heritage niche in western Maine tourism. These include downtown beautification, Riverfront Park facilities, a bridge connecting the Whistle Stop Rail Trail with downtown Farmington, and expansion of the "Walk Around Farmington" trail, including a podcast.

Promotional efforts include marketing to Rangeley and Carrabassett Valley visitors and encouraging fall foliage bus tours to spend a half day or overnight to take in Farmington's special attractions. The desire and the leadership exist to make Farmington a destination that any Maine Woods visitor would want to add to their itinerary.

Washington County Itinerary Mapping for Experiential Tourists

Judy East

Recent surveys tell us what Washington County visitors want – rich experiences based on our natural, cultural, heritage and hospitality assets. Those who live here know we have those assets in abundance – and that they are a pretty well kept secret.

A significant step in getting the word out to visitors, completed in 2009, is a “You Are Here” poster-sized map – *Discover Downeast & Acadia*. It was produced by the Washington County Council of Governments (WCCOG) with financing from the Maine Department of Transportation and Downeast & Acadia Regional Tourism (DART). The map depicts the DART region – Hancock and Washington Counties – and is intended to lure more of Acadia/Bar Harbor's two million annual visitors farther Downeast.

The map is on display across the region at places where visitors choose what to do next, which route to travel and what attractions to enjoy. It highlights cultural features, like lighthouses, museums and seasonal events, as well as natural assets – parks, camp sites, boat launches. It also directs travelers to information centers, scenic byways and the many thematic trails that interpret the County's natural and cultural landscape, for instance the Ice Age Trail, the Downeast Sunrise Trail and the Downeast Fisheries Trail.

Visitors can find complete information at websites displayed in the map's legend and pick up detailed trail maps at visitor information centers. They cannot, as yet, have their own “Discover Downeast” map or view it at a Web site with live links to its many attractions. Those are obvious next steps. Since the map builds on GIS mapping layers, it can readily be made web-searchable. Another plan is to add interpretive panels and sponsor advertising on the map's flip side, expanding tourist information while raising funds to finance production of a fold-up map.

WCCOG, a small regional planning agency with many competing demands on its resources, currently lacks funding to take these important steps. Additional state support would be excellent, and we would gladly share our GIS and tourist feedback data if that could raise funds to put the *Discover Downeast & Acadia* map into tourists' hip pockets and help them plan Washington County trips online.

The Maine Woods Tourism Training Initiative

Bruce Hazard

In spring 2009, the Maine Woods Consortium responded to requests for more effective tourism training from businesses participating in two of its projects, Maine Woods Discovery and the Franklin County Tourism Network. MWC pulled together a team to design tourism training for the Maine Woods region. Members represent the Maine Office of Tourism, the Center for Tourism Research and Outreach and regional businesses and nonprofits.

The team adopted two basic principles:

1. Training should address skill and knowledge needs identified by businesses themselves, focus on both frontline employees and managers and employ training methods vetted by the “customers” – tourism businesses.
2. Training should be provided through existing entities – public and private institutions as well as individuals – networked for regional adaptability.

Three pilot areas were selected: Franklin, Piscataquis and Washington Counties. These happen to be the Maine Nature Tourism Initiative’s pilot regions. County coordinating groups have surveyed local businesses about their training needs and inventoried existing training resources. The next step, launched this spring, is to implement prototype projects matched with businesses’ expressed needs. Although the surveys reveal a surprising consistency of perceived needs across counties, the prototype projects vary in content and delivery mode.

In all cases, county level coordinating teams are working with multiple partners to offer trainings, often engaging agencies that have no previous focus on tourism or links with each other. Partners include university faculties, community colleges, Small Business Development Centers, Career Centers, Cooperative Extension, Economic Development District organizations, Women’s Business Center at CEI, chambers of commerce and others. Customer service training for frontline employees and managers is a key focus for all pilot groups, though each takes a different approach to implementation. Techniques range from workshops to a lending library of training DVDs. Other first round subjects are destination training and innovative marketing approaches. To spark business interest, two of the pilot counties will hold events featuring inspirational speakers.

Following the 2010 testing phase, the planning group will evaluate the prototypes and create a menu of effective training approaches and extend training courses to the Aroostook tourism region in 2011. The pilot phase is underwritten by grants from the Betterment Fund and the United States Department of Agriculture - Rural Development. Longer term, the program is intended to be self-sustaining.

Wabanaki Cultural Tourism Center Project

Donna M. Loring

Four Directions Development Corporation (FDDC) is a nonprofit, certified community financial development institution with a mission to improve the social and economic conditions of Maine's four Tribes.

FDDC has proposed developing a Wabanaki Cultural Tourism Center. This Center would harness tribal assets to create jobs, generate revenue and spawn new economic and educational activities to foster tribal values and culture. Historically, Maine's Tribes have catered to tourists to sustain their livelihoods, selling baskets, crafts and other goods and inviting many people to their powwows and cultural events. They continue to do this today, attracting people from all over Maine and Canada as well as internationally. But powwows and occasional events are not enough to sustain the Tribal Communities economically. Our Tribal Communities lack the requisite tourism infrastructure, such as restaurants, hotels, gas stations, shopping centers and museums.

The proposed Wabanaki Cultural Tourism Center would capture some of that spending for the Indian Communities. Four Directions would assist tribal members in developing small tourism businesses and creating tour packages. The Center would house a hotel, convention center and learning labs for Native and non-Native students. We would collaborate with CentRO, the Community College System and others to design training programs in fields like hotel management, culinary arts, small business management, nature and culture interpretation and customer service. The Wabanaki Cultural Tourism Center would be a world class, state-of-the-art destination facility.

We are considering four possible locations: the Moosehead region, Katahdin region, Down East, (Eastport, Machias) and the Western Mountains (Carrabassett Valley). Any of these regions would receive a major tourism boost from a destination resort offering top quality service and highlighting Maine's unique Native culture and heritage. We will choose the location based on results of a recently completed market feasibility study. We have visited each location, are reviewing the feasibility study and will make a decision in the near future.

Four Directions is excited about the possibilities opened up by a Cultural Tourism Center. We look forward to collaborating with the selected host community and the tribal communities.

Building the 100 Mile Wilderness Destination

Roger Merchant
Bryan Wentzell

Moosehead Lake has been Piscataquis County's iconic tourist destination with Greenville as its main host community for more than a century. The Appalachian Trail's 100 Mile Wilderness also has iconic status, but its economic contribution is small. Numerous less known natural and cultural attractions are dispersed among the county's small towns. Could these assets be enhanced through smart investments, assembled into itineraries and branded effectively to attract more overnight visitors?

Following recommendations in *Maine's Nature Tourism Strategic Plan*, the Piscataquis Tourism Authority has already made huge steps to shape new itineraries around nature trails, waterfalls, villages and agriculture. But these are not "game changers" for the less well known Piscataquis destinations and gateways.

The Appalachian Mountain Club's *Maine Woods Initiative* could become the 100 Mile Wilderness region's destination anchor. It represents AMC's strategy to combine land conservation and outdoor recreation with sustainable timber harvesting and community partnerships. The initiative, backed by a \$52 million capital campaign, is the most significant conservation and recreation investment in this region's – as well as AMC's – history.

AMC has acquired 65,000 acres of forestland and three sporting camps – the "Maine Wilderness Lodges" – all offering full service accommodations following a \$2 million upgrade. Skiing, hiking and biking trails link these lodges, forming a seventy mile corridor from Katahdin Iron Works to Baxter State Park. This region also contains Gulf Hagas, several state parks, open mountain ridges and dozens of ponds and streams known for native brook trout. AMC aspires to make the region a four-season destination for multi-day recreational experiences. It currently employs nine people full time and 15 in the summer.

Greenville and Brownville are gateways to the AMC lands. Dover Foxcroft's Center Theater and Brownville Junction's country music stage offer cultural events and craft producers abound. AMC already markets multi-day packages with local businesses. There are many potential business linkages. Ski trips into the lodges often require an overnight in a gateway town, and guided lodge-to-lodge trips are being investigated. By tapping its base of 100,000 members, supporters and volunteers, AMC envisions great growth potential through the Maine Woods Initiative, which has attracted regional, national and international media attention.

AMC's investments and collaboration with nearby communities and the Piscataquis Tourism Authority reflect optimism about the region's tourism growth. However, visitor demographics and preferences are changing in ways that are not well understood – a blind spot for investment planning. Investing in tourism assets without better forecasts of future customers is

risky. Local jurisdictions cannot afford their own market research and the Office of Tourism needs to provide better information to answer key questions:

- Who are our primary visitors today? What experiences do they seek? What are their demands and expectations? (The Maine Highlands 2008 Visitor Profile is heavily weighted toward Bangor and has limited validity for tourism planning in the region's remote reaches.)
- What emerging tourist markets are most promising for our region? What niche opportunities are we missing? What critical destination investments are needed to attract them?

Armed with solid market forecasts, the 100 Mile Wilderness region can invest wisely in destination assets and have a bright tourism future.

Chapter 3

State Support in an Age of Diminished Expectations

In these challenging economic times, proposals to increase state government investment must be set against the background of Maine's on-going fiscal stringency and diminished expectations about the State's capabilities. As recently as June 8, 2010, Maine voters' approved four bond issues totaling \$108 million, demonstrating that they support state efforts to promote private sector vitality and job creation. However, limited resources clearly make it imperative that the State target available funds to the activities and places where they have the best chance of making a significant difference.

This study starts from the optimistic premise that policymakers – in particular, the new Governor and Legislature to be elected in November 2010 – recognize the importance of rural economic revitalization. If Maine is serious about helping the most rural counties to thrive, then investing in tourism destinations must be a core component of its strategy. To be effective, Maine's tourism strategy must move far beyond the State's past emphasis on marketing to prioritize the development of outstanding destinations.

Fulfilling this objective will require an ambitious state commitment – we argue for a \$100 million investment in rural destination development over the coming five years. We believe that this initiative can be funded largely through precise targeting of existing and prospective bond revenues for transportation, broadband, green infrastructure and downtown revitalization. Crucial investments in "softer" tourism assets, such as workforce development, small business outreach and arts and culture amenities, merit support from the State's General Fund. The State also has a special responsibility for mobilizing and coordinating funding from numerous federal and philanthropic sources.

This chapter identifies the top priority investments, explores potential funding sources and proposes a state-regional partnership that will channel funds to the most promising destinations and investment "packages." It concludes with observations about the economic payoff from a well-designed and adequately financed destination investment strategy. First, however, we summarize seven "lessons from the field" with important policy implications.

Lessons from the Field

- 1. The State should channel significantly more investment to Maine's most promising rural tourist destinations. Developing destinations is just as crucial as promoting them. In an importance sense, destination development needs to come first.**

MOT has moved incrementally beyond its traditional marketing role to support some destination and product investments, such as the Nature Tourism Initiative's interpretive signage and the Maine Woods Consortium's Tourism Training Initiative. Similarly, the Department of Transportation and the Bureau of Parks and Lands also contribute to destination projects. The State should expand these commitments and anchor them in a single state agency that has a sharp focus on tourism development. This role might be played by an expanded MOT, by another bureau within the Department of Economic and Community Development, or by the State Planning Office, which currently directs Quality of Place initiatives. Whatever the organizational solution, it should not be at the expense of MOT's staffing and budget for marketing and promotion.

Increasing the State's financial contribution will also boost morale at the grassroots. Our interviews reveal considerable skepticism about the State's commitment to implementing the Nature Tourism Initiative and other regional tourism plans it has encouraged. Numerous interview participants are discouraged by "much talk but not much action" following a host of state taskforces such as the Governor's Steering Committee on Natural Resource-based Industries, the Green Infrastructure Taskforce and the Council on Quality of Place.

- 2 Maine has made impressive progress in regional destination planning. Although state contributions should be fine tuned to match each region's unique tourism opportunities, the study uncovered several across-the-board investment needs.**
- 3 State support should be targeted to amenity investment *packages* that have been identified, evaluated and prioritized through a process of regional destination planning. Piecemeal and geographically scattered investments will have far less economic impact.**

Key common needs across the entire study area are road maintenance and improvements, expanded and upgraded green infrastructures, revitalization of downtown buildings, improved customer service and increased support for arts, culture and heritage amenities. These were discussed in Chapter 2 and are further explored below.

Interviews in all three regions reinforce the conclusion that regional efforts still suffer from unresolved turf battles and town-level parochialism. Business engagement also lags. The opportunity to apply for larger state investments will strengthen stakeholders' incentive to resolve their differences and to participate more actively in regional initiatives.

- 4 The emerging regional groupings and the destinations that make greatest sense "on the ground" differ significantly from the MOT's larger and more diverse marketing regions. State tourism investments should target these "real" destinations, rather than MOT's artificial regions.**

The study reinforces the view that rural destinations should be thought of as clusters of gateway and destination communities, together with their surrounding natural landscapes. Each of the three case study regions has achieved impressive organizing and planning, primarily at the county level. Prominent examples are the Franklin County Tourism Network, Franklin

County Chamber of Commerce, Greater Franklin Economic Council, Piscataquis Tourism Authority, Piscataquis County Economic Development Council, Washington County Council of Governments and Sunrise County Economic Council.

5 Maine needs a new, sharply focused, state-regional partnership to establish tourism development priorities and channel funds to the most promising destination investments. As mentioned, this will require a “go to” state agency that coordinates the State’s tourism development activities.

Although state government has a legitimate role in priority setting, the State should not attempt to micro-manage the allocation of destination investments. These decisions are best left to regional bodies, in partnership with the state and with local tourism stakeholder groups.

Citizens in every rural community and region have a stake in sustaining local economic and cultural vitality. But, communities and regions differ greatly in their capacity to attract more visitors and generate more tourism revenues and jobs through additional public investment. Maine needs a mechanism to channel state funds to destinations and investment packages that promise a substantial economic return. This reflects a larger Maine dilemma: not all of our rural communities have great long term economic prospects. We are convinced that, ultimately, building on the most promising destinations will give rural Maine as a whole the best prospects for economic and community sustainability.

6 Tourism destinations need greater state support to broaden and improve their commercial leisure and hospitality services.

Maine as a whole does not have a strong reputation for customer service, except among frequent return visitors. Just 23% of prospective first-time visitors compare Maine’s customer service positively with other destinations. In all likelihood, this reputation problem is even more serious for remote rural destinations.^{xviii}

The State cannot wave a magic wand and make innovative entrepreneurs and outstanding customer service appear in rural Maine. Inducing leisure and hospitality entrepreneurs to take a chance on remote rural destinations is a major challenge. Nonetheless, the State can provide invaluable assistance in two distinct ways. First, it can help promising destinations strengthen their overall appeal through the quality of place investments described above. New businesses will find a destination more promising if it has a critical mass of attractive features – and if it offers a high quality of life to themselves and their families.^{xix} Second, the State can focus its many small business assistance programs more effectively on the particular needs of leisure and hospitality businesses, especially in the areas of customer service and promotion. In two of the case study regions, a resort-and-conference center is high on respondents’ wish lists. Attracting resort developers will require concerted state-regional collaboration and a strong incentive package.

7 Smart design of destination investments requires better market intelligence.

A common interview theme is that designing smart destination investment packages requires better predictions about “who the future customers will be.”^{xx} At present, neither of Maine’s two logical sources of forward-looking market intelligence, the Center for Tourism Research and Outreach and MOT (or its consultants, Davidson-Peterson) does much “over the horizon” market research to assist regional tourism planners.

Destination Investment Priorities: Universal Needs

Core Infrastructures: A Rural Development Imperative

Poor road conditions rank at the top of respondents’ destination weaknesses, especially in Piscataquis and Washington Counties. This is a serious problem for the entire rural economy, of course. For tourism destinations in particular, poor road conditions compound the inescapable problem of remoteness. Successful bond initiatives and federal ARRA funds have sustained highway and bridge maintenance fairly well, but urgently needed upgrades of key tourism routes have been deferred. Examples from our study regions are Route 17 from Height of Land to Oquossoc, Routes 5 and 16 from Guilford to Greenville and sections of U.S. Route 1 east of Machias. MDOT’s “Explore Maine” program has given some priority to tourism-related upgrades, but MDOT should do still more, especially to target Federal Transportation Enhancement funds to rural gateway towns.

Given a likely upward trend in vehicle fuel prices, the State should back one or more regional experiments with alternative transportation modes, bringing tourists to rural destinations in comfort and then conveying them hassle-free among pedestrian-friendly attractions. Mount Desert’s Island Explorer buses and New Brunswick’s ferry service serve as examples. Seamless inter-modal coordination is critical to the non-driving tourist’s quality of experience – and to a destination’s reputation. This is not rocket science; in fact, long before rockets, leisure travelers to the Moosehead and Rangeley Lakes region relied on trains, coaches and ferries.

Survey respondents clearly recognize that high speed internet and reliable cell phone service are basic needs in today’s tourism economy. They are important business tools as well as amenities that many tourists now take for granted. Better communication links might even increase participation in regional tourism planning by reducing the need for travel to meetings. The federally-supported “Three Ring Binder” program to expand “middle mile” broadband connectivity in rural Maine is a promising response to this need. For many rural tourism destinations, the remaining needs are “last mile” cable connectivity and local cell phone towers.

Clearly, sustainability of the entire rural economy – not just the tourism sector – depends on upgrading these core infrastructures.

Quality of Place Assets: Town and Countryside

Survey respondents in all case study regions prioritize improvements to the built environment, especially downtown buildings. Roads, parking and public spaces hosting arts and culture attractions also rate highly. As we have stressed, rich town amenities are especially important for attracting experiential tourists and tourism entrepreneurs

Franklin and Piscataquis County respondents rate green infrastructure the top destination investment priority. Of course, investments should be tailored to each destination's particular strengths and needs; however, trails, signage, scenic byways and information kiosks are universally needed to facilitate high quality outdoor recreation experiences. Since respondents in all three counties have a (comparatively) favorable view of current green infrastructure projects, in effect they are urging more of a good thing. In our view, the State has sound economic reasons, as well as a moral responsibility, to fully implement the Maine Nature Tourism Initiative in these three regions. It was launched with great fanfare almost five years ago, but funding to date has been meager.

The case for clustering amenity investments to maximize their benefits is set out in short essays by Hagerstrom, who makes the case for targeting Farmington, and Merchant and Wentzell, who advocate for the 100 Mile Wilderness region.

It bears repeating that the State's investments in promising tourist destinations have a potential "triple payoff": attracting more high-spending tourists while also enriching rural residents' lives and making rural areas more appealing to prospective tourism entrepreneurs and other in-migrants.

Supporting the Private Sector: Improving Service Quality and Attracting Investors

Shaping attractive rural destinations, especially for discriminating experiential tourists, requires higher quality services as well as a richer menu of dining, lodging, shopping, arts and culture offerings.

Few stakeholders in any of the regions view the quality and variety of dining and lodging or the quality of customer service as destination strengths. These limitations pose two challenges for policy makers:

- Encouraging existing leisure and hospitality businesses to develop new and better products
- Inducing new entrepreneurs to invest in promising tourism destinations – places with the "buzz" and the "critical mass" of attractions to draw significantly more high spending visitors

Previous MECEP studies have shown that premium service quality is a key to attracting high-spending first-time visitors and creating more livable wage tourism careers.^{xxi} MECEP has highlighted several of Maine's best practice tourism businesses, which already offer outstanding service and quality jobs: they have shown that it can be done! The big challenge is to make high quality service the norm rather than the exception. Expanded leisure and hospitality programs at the University of Maine and Community College Systems will contribute

significantly to this objective over time, as their graduates launch tourism businesses and enter the leisure and hospitality workforce. In the near term, however, the critical need is more effective outreach to existing small tourism businesses and training opportunities for their frontline employees. The Maine Woods Consortium's Tourism Training Initiative, described here by Bruce Hazard, is both an exciting prototype and an encouraging example of region-wide collaboration. Successful employee and manager training methods developed through this three year experiment will need to be institutionalized and spread to other destinations.^{xxii}

The Maine Woods Consortium, with Betterment Fund support, is also testing tourism businesses' interest in creating an ecotourism quality label, to brand and promote the region's highest quality "green" tourism products.

As mentioned, there are two distinct ways to encourage new tourism investors. One is to make rural destinations more appealing to tourists and to prospective entrepreneurs and their families. Good roads, high speed internet, vibrant downtowns and cultural attractions help fulfill this objective. The other tactic is to tailor existing state business assistance programs to the particular product development, marketing, labor relations and financial needs of rural leisure and hospitality businesses.

Aside: Market Research, Branding and Promotion

This study focuses primarily on developing tourism destinations rather than branding and marketing them. However, survey and interview responses about the marketing dimension – and the State's current efforts – warrant a few words.

First, like Merchant and Wentzell in their essay, numerous respondents perceive a weakness in the State's capacity to forecast major market trends and convey forward-looking market analysis to tourism planners and stakeholders. An MOT official stresses that the Office of Tourism and its consultants are "always on the lookout for the next big thing."^{xxiii} However, their central priority is near term marketing strategy, using future projections based on the recent past. Merchant and Wentzell underscore the difficulty of planning a farsighted investments strategy without solid better intelligence about "who the future customers will be."

Second, several interviewees contend that MOT's reporting of tourism statistics for the eight tourism regions has limited value to rural tourism planners. For example, it is difficult for strategists in rural parts of the Highlands Region to interpret aggregate statistics that include visitor data for metropolitan Bangor. Washington County planners face an "apples and oranges" problem because of Hancock County's statistical dominance within the Downeast-Acadia Region. And Franklin County strategists have difficulty making use of some Lakes and Mountains region data, which include visitor patterns in the Sebago Lake region, with its proximity to Portland and Boston and hordes of summer day trippers.

Third, although MOT's motto, "There's More to Maine," may lure some tourists to less popular rural destinations, it conveys no brand message. The three case study regions need more effective state help to brand their destinations within the larger Maine Woods and Downeast frameworks. This report highlights two potentially powerful brand images: "The Bold

Coast” and “The 100 Mile Wilderness.” Survey responses strike a distinctly critical note on the State’s support for branding and marketing: large majorities rate state promotional support for their regions as poor or only fair. In response to an open-ended question about state support priorities, branding and promotion rank first in Franklin County, second in Piscataquis and fifth in Washington.

Financing Destination Investments: Sources and Platforms

Rural Maine needs an ambitious destination development strategy: we propose a \$100 million investment over five years. This would be a solid start toward fulfilling tourism’s growth potential in Maine’s most rural counties. Promising funding sources include existing and new state bond revenues, General Fund revenues (including dedicated revenues), federal program moneys and philanthropic support. Since physical infrastructure improvements would be the largest expense, bond funding is a top priority. The State would also have a major responsibility for mobilizing and coordinating federal and philanthropic resources

Four Funding Sources

General Obligation Bonds
General Fund Revenues (including dedicated sources)
Federal Program Funds
Philanthropic Contributions

State funding of “hard” investments

Regional bodies help DOT develop its twenty year transportation plans. For example, Eastern Maine Development Corporation has prioritized the U.S. Route 1 corridor east of Machias and Routes 6 and 15 to Greenville. However, DOT’s long list also contains the busy mid-coast section of U.S. Route 1 and the Bangor-Acadia corridor. Congestion problems on those routes may well lead DOT to give them precedence over less travelled rural routes. Raising the priority of road upgrades in deep rural regions will require real commitment.

Looking at the downtown revitalization challenge, the recently approved \$3.5 million Communities for Maine’s Future bond is designed in a way that would allow priority to be given to investments enhancing tourism destinations.

State funding of “soft” investments

Limited state revenues require tough allocation choices. Nonetheless, General Fund revenues will be needed to finance some tourism investments, even with aggressive mobilization of federal sources, private philanthropy and state bond revenues. This priority is justified, since tourism already contributes several hundred million dollars a year to General Fund revenues and successful destination development would add to that amount. General Fund revenues would be used to repay general obligation bonds and underwrite un-bondable “soft” expenditures, such as tourism training and cultural heritage initiatives. If job creation in distressed rural regions is a state priority, well-crafted tourism destination investments will be able to

compete effectively for scarce funds, particularly since they also enhance rural residents' quality of life.

It is appropriate to dedicate a portion of several specific revenue streams to tourist amenity investments. Ten percent of the State's Tourism Promotion and Marketing Fund (TPMF) currently goes to regional marketing and special events promotions under the Tourism Marketing Partnership Program (TMPP). TMPP grants can be used for destination development, not just promotion. Promising rural destinations could be allocated a larger share of the regional TMPP grants, which could be further leveraged by channeling a part into a fund to repay bonds issued for green infrastructure and town beautification.

Federal funding

Maine should target resources from a variety of federal programs toward tourism destination investments. A partial list includes USDA's Rural Business Enterprise Grants, Rural Business Opportunity Grants, Rural Community Development Grants, the Business and Industry Guaranteed Loan Program, the Department of Interior's Land and Water Conservation Fund, the Federal Highway Fund's Recreation Trails Program and the National Park Service's Rivers and Trails Conservation Assistance Program.

Philanthropic funding

Philanthropic organizations have made huge financial commitments to preserve Maine's rural landscapes. If just one tenth of the funds they invested over the last decade could be raised for destination investments over the coming decade, it would make a big difference in scores of rural communities. An expanded philanthropic effort could help finance green infrastructure, increasing the recreational value of protected lands. It could also help fill "soft" cost niches such as small business outreach, workforce development, downtown beautification, heritage attractions and local organization building. We applaud the Maine Community Foundation, Environmental Funders' Network, Betterment Fund and Sewall Foundation for their pioneering efforts in these areas.

Potential Funding Platforms

Chapter 1 mentions three state initiatives that are currently taking shape: implementation of the Quality of Place Act (LD 1389), *Mobilize Maine* and *Keeping Maine's Forests*. Although the ultimate effectiveness of these initiatives remains unclear, tourism destination development deserves priority in each of them.

The 2010 Quality of Place (QOP) Act lacks an appropriation but targets current state grant programs to projects strengthening towns or regions in a comprehensive way. It directs state agencies to give quality of place precedence in resource allocation. And it seeks to attract more federal and philanthropic funds, combining them synergistically with state resources. The Governor's Council on Quality of Place has already prioritized investing in tourism, including workforce development.

Mobilize Maine seeks to "preserve and sustain Maine's unique quality of place" and to build community and regional development strategies based on the "authentic assets of Maine's people, places and businesses." It advocates clustering investments to maximize their eco-

nomic impact. The Mobilize Maine guidelines dovetail with our proposals for tourism destination packages. An excellent example is the Franklin Loop, which integrates natural attractions with arts, culture and heritage.^{xxiv}

The *Keeping Maine's Forests* proposal that Maine will submit to the federal government centers on land conservation. However, a stakeholder-designed companion proposal lays out a development strategy for "Maine's Nature-based Tourism Sector." The strategy's investment priorities dovetail with this report's recommendations: green infrastructure, business assistance through investment and training and destination packaging and marketing. Keeping Maine's Forests would be an excellent vehicle to implement fully the Maine Nature Tourism Initiative.^{xxv}

**Funding Platforms for
Tourism Destination Development**

- Council on Quality of Place (LD 1389)
- Mobilize Maine
- Keeping Maine's Forests

In addition to these three initiatives, the U.S. Congress recently created a Northern Border Regional Commission (NBRC), championed by Maine's Representative Michaud and Senator Snowe. It covers the interior regions of Maine, New Hampshire, Vermont and New York. Maine's Sandy Blitz chairs the Commission which Congress funded at the nominal level of \$1.5 million this year. The Northern Forest Alliance has urged a \$10 million appropriation for FY 2011, which would get the Commission's work off the ground in a significant way. NBRC has a flexible funding capacity that could prioritize many of the destination investments advocated in this report.

Allocating Destination Investments: A State-Regional Partnership

We believe that the most effective partnership model to implement a destination development strategy combines state guidelines and funding with allocation decisions by autonomous regional bodies. An analogous approach has been used successfully in several other state-supported processes.

As discussed above, a single agency should oversee the State's diverse destination development efforts. With numerous agencies playing roles in destination investment, an updated Tourism Development Sub-cabinet also makes sense. There is a clear need for new state administrative capabilities, but even with improved capability, the State has limited competence to specify how destinations should be organized or to decide which proposed investment packages have the best economic prospects.

The State should set clear guidelines for tourism destination investments, building on criteria established in the Quality of Place initiative. Clusters of communities would be encouraged to self-organize as tourism destinations. They would propose and justify investment packages

and demonstrate a high level of stakeholder buy-in. (The State would earmark some funds for technical assistance.) To qualify for state support, a destination would have to encompass enough communities and natural attractions to supply diverse, high quality, “brandable” tourism experiences. A destination should also be sufficiently cohesive to provide those experiences within reasonable driving distance of hospitality services. Piscataquis County’s 100 Mile Wilderness and Washington County’s Bold Coast-Quoddy Bay regions exemplify appropriate destination clusters.

It makes sense to delegate authority for soliciting and evaluating applications to the existing Economic Development Districts (EDDs) or Councils of Government (COGs). (In some instances, the two overlap.) We believe the COGs are more appropriate, since they are more firmly rooted in local communities and stakeholders than the federally-designated EDDs. Design of an effective State-COG-tourism destination partnership should be informed by Maine’s experience with similar partnerships, such as the Quality Communities Program, Communities for Maine’s Future, Community Development Block Grants and Lands for Maine’s Future.

Conclusion

It is impossible to predict the economic return to the ambitious destination investments proposed here. There is a strong case for investing in rural tourism as a lead economic sector, yet the payoff to public investments is never a sure thing. For one thing, Maine tourism is surrounded by uncertainties and risks including macroeconomic and energy price trends, changing tourism demand patterns and competition from other destinations. Despite all these uncertainties, the insights uncovered through interviews and surveys make a convincing case for our proposed destination strategy:

- A well-designed and well-funded destination development strategy is just as important as an effective, well-funded marketing strategy.
- Self-organized regional groupings are best positioned to identify the investment packages needed to propel their tourism take-off.
- Effective destination strategies are a synergistic blend of hard and soft investments and of public and commercial investments.
- A state-regional partnership is an effective and participatory way to set core priorities and then channel state funds to high potential destination investment packages.
- “Game changing” amenity investments not only attract more high-spending tourists, they also enhance residents’ quality of life and improve prospects for attracting entrepreneurs and highly educated young people to rural Maine.

We are convinced that all Mainers will benefit from a commitment by the next governor and legislature to realize rural tourism’s full potential.

Appendix 1: Study Design—Three Destination Cases

This study takes a close look at three rim county destinations: northern Franklin County, Piscataquis County and eastern coastal Washington County. Consistent with the State’s strategic emphasis on quality of place, it identifies clusters of investments in amenity assets with game-changing potential for rural tourist destinations.

Tourism amenity assets are human-created, place-based attributes that enhance the visitor’s experience.

Depending on the type of tourist and local circumstances, a broad range of amenity assets can enhance tourists’ quality of experience: pothole-free roads and scenic overlooks, accessible private lands and interpretive trail signs, historic sites and seasonal festivals, authentic local cuisine and quality lodging. We take it as given that rural Maine’s foundational tourism asset is its outstanding natural landscapes.

Guided by an advisory team composed of rural tourism experts, MECEP staff and MECEP board members, we selected case study destinations which share two key characteristics: significant potential to attract more first time “marketable” overnight visitors and a solid record of regional collaboration in tourism planning. The team settled on three regional destinations:

- Northern Franklin County was selected because of its comparative nearness to large population centers, Farmington’s potential to be a culturally rich and commercially lively gateway, highly developed winter sports destinations at Sugarloaf and Saddleback and a four season recreation heritage centering on the Rangeley Lakes. Franklin County has been a hotbed of regional tourism organizing and innovation for more than a decade.
- Piscataquis County’s Moosehead region has a storied history, both as a jumping-off point for back-country adventurers and as a magnet for “general tourists.” Greenville, the region’s gateway and main host community, would be the principal beneficiary of Plum Creek’s proposed resorts and a revitalized Squaw Mountain ski area. The *100 Mile Wilderness* region, south and east of Moosehead, also has striking natural attractions, complemented by modest cultural assets and aspiring gateway towns. This region is home to the Appalachian Mountain Club’s *Maine Woods Initiative*, with its large scale land acquisitions and major recreational infrastructure investments. The county-backed Piscataquis Tourism Authority has been an important catalyst, developing themed itineraries, trails, signage and other assets.
- Washington County’s Bold Coast and Passamoquoddy Bay Region possesses unique natural attractions and a rich maritime, international and multi-cultural heritage. Although tourism “way downeast” suffers from long travel times, it is less than two hours’ drive from Acadia National Park, which is able to lure two million yearly visitors. Further, large numbers of Canadians pass through on their way to the Maritimes. Indeed, Roosevelt-Campobello International Park is the region’s most visited site,

underscoring that this is an international destination. Trying to boost tourism in the shadow of Acadia and Bar Harbor is a two-edged sword. The Downeast-Acadia Regional Tourism marketing effort and the Vacationland Resources Committee's *Destiny 2010* development plan are reminders that, in many ways, Washington County is the minor player in a two county strategy. Nonetheless, Eastport has undertaken a "big push" to attract tourists and other towns in the arc from Machias to Calais are also investing in tourism amenities.

We note that these three regions were also selected as pilot regions for the Maine Nature Tourism Initiative and the Maine Woods Consortium's Tourism Training Initiative.

Methods: A major study goal is to identify both common amenity investment priorities and destination-specific needs. We anticipate that some state policies to support rural destination development are broadly applicable while others must be fine tuned to unique local opportunities and needs. The recommendations we offer in Chapter 3, for state investments in tourism destination development, are based on insights derived from five principal sources: published documents, asset inventories, scoping interviews, surveys and invited essays.

Winter-spring 2009 A preliminary task was to review documentary information about the regions' current and past tourism initiatives. This centered on strategy documents, like the following three for Washington County:

- * *Destiny 2010* (Hancock-Washington County Vacation Resources Committee – 2005)
- * *A Resource Guide for Tourism in Downeast Maine and Southwest New Brunswick* (Sprin-guel and Clements, eds. – 2007)
- * *Report on and Economic Development Strategy for Washington County* (Flanagan – 2005)

We also reviewed chamber of commerce publications, itinerary maps, and a wide range of private, nonprofit and government brochures.

Spring 2009 Research assistant Alexis Mann created a template to inventory the physical, cultural, commercial and institutional assets of gateway communities in the three regions. Principal data sources were the 2008 *Maine Register*, the New England Foundation for the Arts' "Culture Count" (www.culturecount.org), and web sites of towns, chambers of commerce, councils of government and tourism offices. Personal visits to the case study destinations in the summer and fall of 2009 contributed to our feel for the scope and quality of these assets.

Asset Inventories of Gateway Communities

Northern Franklin County: Farmington, Rangeley, Kingfield-Carabasset
Piscataquis County: Greenville, Dover-Foxcroft, Milo, Brownville
Coastal Washington County: Calais, Eastport, Lubec

Summer 2009 We conducted semi-structured scoping interviews with eleven key informants. These were later supplemented by eight additional interviews. The interviewees were sug-

gested by the advisory team and included two of the team members. These one- to two-hour conversations roughly followed a SWOT framework: Strengths, Weaknesses, Opportunities and Threats. Responses to the SWOT questions served as background to a series of questions focusing on perceived amenity asset gaps and investment priorities.

Fall 2009 Responses from the scoping interviews guided the design of an online survey that was pre-tested and then emailed to roughly thirty prospective respondents in each region. Solicitation lists were compiled from suggestions by the advisory team and the key informants. (Numbers varied across destinations because of difficulty tracing some email addresses.) After two follow-up requests, we received 54 usable surveys – a respectable 60% overall response rate. The survey instrument combines closed-ended, multi-part questions and open-ended follow-ups. Respondents were asked to assess their destination’s strengths, weaknesses and growth opportunities (by activity, demographic group and season). They then evaluated and prioritized nine types of current amenity investments in their regions. Finally, they evaluated eleven types of state support for tourism in their regions and were asked to describe their top three priorities for future state tourism support.

The respondent samples were not scientifically selected and the respondent pool for each destination was small, therefore we focused on compiling and interpreting descriptive statistics, as summarized in Chapter 2 and Appendix 2. We did not attempt statistical correlations, hypothesis tests or significance tests.

Winter-Spring 2010 Based on our interpretation of the nineteen interviews and 54 surveys, the planning team identified themes for five invited “mini-essays” to supplement the quantitative analysis.

Appendix 2: Survey Responses by Case Study Region

The following tables summarize responses to an online *Survey Monkey* survey. An invitation to participate in the survey was circulated to roughly 90 prospective respondents, chosen on the basis of recommendations from key informant interviewees and the project advisory team. The 54 usable responses represent a 60% response rate: quite good for this type of survey. The number of responses in each case study region is sufficiently small that we did not attempt to do formal statistical analysis. Rather, the data are organized to reveal significant patterns in the responses.

The tables below – eight for each case study region – summarize responses to closed-ended questions. Some closed-ended questions include an “other” answer category. The “other” responses are not discussed here, except where they add significant information not contained in the closed-ended responses. Respondents can elaborate on their responses to most questions and conspicuous patterns in those responses are reported below. A question asking respondents’ three top priorities for future state investment in tourism destinations is open-ended. Responses to that question are summarized in Tables F8, P8 and W8.

Northern Franklin County

The following tables are based on twenty-one (21) Franklin County survey responses.

Destination Strengths: “What are your region’s strengths as a tourist destination, apart from its natural beauty and natural attractions?” (Response options: not a strength, minor strength, major strength.)

Table F1. Perceived Destination Strengths

<u>Overall Ranking (based on average score)</u>	<u>% Indicating “Major Strength”</u>
1. Tranquility and relaxing atmosphere	86%
2. Wildlife watching opportunities	81
3. Easy access to natural attractions on public land	67
4. Easy access to natural attractions on private land	56
5. Arts, culture, heritage attractions	38
6. Quality dining and lodging options	33
7. tie Green infrastructures (trails, signage, byways, etc.)	33
7 tie Quality of customer service	29
9. Attractive, well maintained village centers	33
10. Variety of dining and lodging options	29
11. Ease of travel among region’s attractions	19
12. Shopping opportunities	10
13. Nearness to large population centers	14

Notes: After the top two categories and again after the top four categories, there is a significant drop in ratings. For the bottom three categories, the average rating is “not a strength.” In open ended explanations of their rankings, six respondents mention alpine ski areas as a major regional tourism asset.

Destination Weaknesses: “What do you see as your region’s weaknesses as a tourist destination?” (Response categories: not a weakness, minor weakness, major weakness)

Table F2 Perceived Destination Weaknesses

<u>Overall Ranking (based on average score)</u>	<u>% indicating “Major Weakness”</u>
1. Weak branding & promotion of the region	70%
2. Distance & travel time to the region	38
3. Shopping opportunities	30
4. Green infrastructure (trails, signage, byways, etc.)	19
5. Condition of town and village centers	15
6. Restricted access to lands & waters	14
7. Quality and variety of lodging & dining	11
8. Quality of customer service	11
9. Limited arts, culture & heritage attractions	10
10. Lack of destination resort & conference center	10
11. Quality & variety of outdoor recreation services	0

Note: Apart from weak branding and promotion of the region, a smaller percentage of Franklin respondents perceive their destination weaknesses to be “major,” compared to the other two case study areas, especially Piscataquis County.

Current Economic Importance Compared with Growth Potential:

- “How important are the economic contributions of the following tourist activities to your region?” (Response options: economically unimportant, minor importance, major importance, don’t know.)
- “Rank the top five tourist activities in terms of their growth potential in your region.” (response options: greatest growth potential; 2nd in growth potential, 3rd in growth potential, 4th in growth potential, 5th in growth potential – otherwise not rated.)

Table F3 Perceived Economic Growth Potential and Current Importance

(Activities ranked according to perceived growth potential)

<u>Growth Potential Ranking</u>	<u>Ranking of Current Economic Importance</u>
1. Experiential Tourism	10
2. Family vacations (seasonal homes, camps, rentals)	3 tie
3. Alpine skiing & snowboarding	1 tie
4 tie. Hiking & backpacking	7
4 tie. Snowmobiling	1 tie
6. XC skiing and snowshoeing	5 tie
7. Fishing, hunting, trapping	3 tie
8. Wildlife watching	5 tie
9 tie. Canoeing and kayaking	9
9 tie. Conferences and retreats	13
11. Arts. Culture & heritage attractions	12
12. Boating and sailing	8
13. ATVing	11
14. Whitewater rafting	14*

Growth potential notes: Apart from experiential tourism's expected sharp increase in economic importance, there are no dramatic differences between the rankings for current importance and future importance. This stands in sharp contrast to Piscataquis County, where respondents expect dramatic changes in tourism activities (see Table P3.) The average score drops sharply after the three highest ranked categories. None of the activities ranked 7th through 13th is expected to be a significant source of growth *in its own right*, although they might be components of an "experiential tourism" itinerary.

Economic importance notes: The average score drops significantly following the top four categories. *Shopping opportunities, which are not included in the growth potential question, rank 14th in current economic importance, making rafting 15th.

Growth Potential by Demographic Group and Season: "Rank growth potential for each of the following tourist groups in your region" (Responses: 4 = greatest potential, 3 = second greatest potential, etc.) Rank your region's growth potential for each season, based on the number of additional tourists and their spending." (Responses: 1, 2, 3, 4.)

Table F4 Growth Potential by Demographic Group

Group	Average Score	% "Greatest Growth Potential"
Families with Children	2.65	38%
Empty Nesters – pre retirement	2.55	17
Young Adults, no children	1.9	22
Retirees	1.9	22

Note: Family vacationers stand out by both measures; the results for empty nesters are mixed.

Table F5 Growth Potential by Season (current level = baseline)

Season	Average Score	% Greatest Potential
Autumn	2.0	33%
Summer (to mid-Sept.)	1.9	32
Winter	1.8	26
Spring (to mid-June)	1.3	5

Notes: Expectations about spring are distinctly lower than for the other three seasons; differences among the top three seasons are not statistically significant.

Amenity Investments: Priorities and Evaluation of Current Efforts: "Evaluate the scope and quality of investments in amenity assets currently underway or planned in your region." (Response options: excellent, good, fair, poor, don't know.) "What four amenity investments would be most effective in strengthening your region as a tourist destination?" (Response options: 4 = most effective, 3 = 2nd most effective, etc.; 0 = not among top four)

Table F6 Investment Priorities & Evaluation of Current Amenity Investments

Priority Ranking	% Who Rate Current Investments	
	Good or Excellent	Poor
1. Green infrastructure (trails, signage, etc.)	68%	5%
2. Improve customer service	29	12

3. Enhance town & village buildings	22	33
4. Transportation infrastructure in region	27	20
5. Develop arts, culture, heritage amenities	42	11
6. Protect more lands & waters	84	0
7. Enhance town & village green space	32	11
8 tie Enhance town & village roads/parking	20	53
8 tie Green infrastructure - park facilities	67	11

Notes: Green infrastructure investment stands out as an asset where investment priority is very high even though current efforts are highly rated. Current investments are far less positively evaluated in all other high priority areas. The priority scores drop significantly after #6, protecting more lands and waters.

Evaluation of Current State Support for Destination Development – Future State Priorities:
 “In your view, how effective is the state’s support for your region’s destination development efforts?” (Response options: excellent, good, fair, poor, don’t know.) “If the state could increase its support for tourism development in your region, what three key investments would you urge it to priorities?” (Responses: open-ended.)

Table F7. Evaluation of State Support for Franklin County Tourism

	<u>Percentage of Responses</u>		
	Good or Excellent	Poor	Don’t Know
1. Protection of important recreational lands	70%	5%	0%
2. Roads & transport infrastructure	30	10	15
3. Green infrastructure	20	35	5
4. Small business assistance	20	30	10
5. Market research	15	40	15
6. Town and village revitalization	10	35	15
7. Promotion of the region within Maine	10	40	10
8. Tourism employee training	5	50	20
9 tie. Support for arts, culture & heritage	5	50	15
9 tie. Promotion of the region outside Maine	5	40	15
11. Cell phone and high speed internet service	0	60	15

Notes: Apart from the two highest top rated state supports, “poor” evaluations outnumber “good” and “excellent” combined. Nonetheless, Franklin County respondents have a much more favorable view of state supports than their counterparts in the other two counties.(See Tables P7 and W7.) The significant proportion of “Don’t know” responses may be due to respondents’ lack information about current state programs or a lack of state activity to be informed about.

Table F8. Priorities for State Investment in Franklin County Tourism

	<u>Percentage of respondents giving item</u>	
	<u>#1 Rank</u>	<u>1, 2 or 3 Rank</u>
More effective promotion of the region	25%	55%
Improved cell phone & internet links	20	35
Transport infrastructure (including byways)	15	40
Green infrastructure (various)	10	55
Additional land & water conservation	10	15

Small business support (customer service, training, etc.)	5	30
All other	15	

Notes: These categories summarize a wide range of detailed comments.

Piscataquis County

The following summaries are based on fifteen (15) Piscataquis County survey responses.

Destination Strengths: What are your region's strengths as a tourist destination, apart from its natural beauty and natural attractions?" (Response options: not a strength, minor strength, major strength.)

Table P1. Perceived Destination Strengths

<u>Overall Ranking (based on average score)</u>	<u>% Indicating "Major Strength"</u>
1. Wildlife watching opportunities	100%
2. Tranquil and relaxing atmosphere	93
3. Easy access to natural attractions on private land	64
4. Easy access to natural attractions on public land	57
5. Quality of customer service	29
6. Attractive, well-maintained town and village centers	14
7 tie. Arts, culture & heritage attractions	14
7 tie. Variety of dining and lodging opportunities	36
9. Shopping opportunities	21
10. Quality dining and lodging opportunities	36
11. Green infrastructures	14
12. Ease of travel within the region	0
13. Nearness to large population centers	0

Notes: the "major strength" ratings drop sharply after the top two categories and again after the top four. Categories 7 through 13 are rated less than "minor strength."

Destination Weaknesses: "What do you see as your region's weaknesses as a tourist destination?" (Response categories: Not a weakness, minor weakness, major weakness)

Table P2 Perceived Destination Weaknesses

<u>Overall Ranking (based on average score)</u>	<u>% indicating "Major Weakness"</u>
1. Lack of destination resort & conference center	79%
2 tie. Weak branding and promotion	71
2 tie. Distance & travel time to the region	57
4. Shopping opportunities	43
5 tie. Quality & variety of dining and lodging	50
5 tie Green infrastructures	36
5 tie. Condition of town & village centers	21
8. Limited arts, culture & heritage attractions	29

9. Quality of customer service	14
10. Restricted access to lands and waters	14
11. Quality & variety of outdoor recreation services	0

Notes: In general, more respondents in Piscataquis than the other two regions view their top ranked weaknesses as “major.” However, the average seriousness of weaknesses drops sharply after the top three categories. Categories 10 and 11 are by-and-large not viewed as weaknesses.

Current Economic Importance Compared with Growth Potential: “How important are the economic contributions of the following tourist activities to your region?” (Response options: economically unimportant, minor importance, major importance, don’t know.) “Rank the top five tourist activities in terms of their growth potential in your region.” (responses: greatest growth potential; 2nd in growth potential, 3rd in growth potential, 4th in growth potential, 5th in growth potential – otherwise unrated.)

Table P3 Perceived Economic Growth Potential and Current Importance
(Activities are ranked according to perceived growth potential)

<u>Growth Potential Ranking</u>	<u>Current Economic Importance Ranking</u>
1. Alpine skiing & snowboarding	14
2. Experiential tourism	11
3. ATVing	7
4. Conferences and group retreats	12
5. Family vacations (camps, seasonal homes, rentals)	2 tie
6. Arts, culture & heritage attractions	13
7. Snowmobiling	1
8. Hiking & backpacking	5 tie
9. Canoeing & kayaking	4
10. Wildlife watching	5 tie
11. boating & sailing	8
12 tie Fishing, hunting, trapping	2 tie
12 tie XC skiing & snowshoeing	10
14. White water rafting	9

Notes on current importance: The average rating drops significantly after category 5.

Notes on future growth potential: Respondents foresee radical changes in Piscataquis tourism. Economic growth potential is high, compared to current economic importance, for experiential tourism, conferences and retreats, arts and culture, alpine skiing and ATVing. Growth potential is notably lower than current importance for fishing and hunting, snowmobiling, rafting, canoeing/kayaking and wildlife watching. However, the numerical rating for growth potential drops off very sharply after skiing and experiential tourism; it falls again significantly after family vacations.

Growth Potential by Demographic Group and Season: “Rank growth potential for each of the following tourist groups in your region” (Response options: 4 = greatest, etc.) Rank your region’s growth potential for each season, based on the number of additional tourists and their spending.” (Responses: 1, 2, 3, 4.)

Table P4 Growth Potential by Demographic Group

Group	Average Score	% “Greatest Growth Potential”
Empty Nesters	2.67	25%
Families with children	2.58	17
Young adults without children	2.33	25
Retirees	2.25	33

Notes: The two indicators, average score and greatest growth potential, yield different interpretations of growth potential. The average growth potential of empty nesters and families is significantly greater than for young adults and retirees. However, retirees receive the most forecasts of “greatest growth potential.”

Table P5 Growth Potential by Season (baseline is current level)

Season	Average Score	% Greatest Potential
Winter	2.75	25%
Autumn	2.67	9
Summer (to mid Sept.)	2.58	33
Spring	2.00	33

Notes: Differences among the top three average scores are not statistically significant. Respondents have polarized views about Spring growth potential, with 33% rating it the highest and 67% the lowest.

Amenity Investments: Priorities and Evaluation of Current Efforts: “Evaluate the scope and quality of investments in amenity assets currently underway or planned in your region.” (Response options: excellent, good, fair, poor, don’t know.) “What four amenity investments would be most effective in strengthening your region as a tourist destination?” (Response options: 4 = most effective, 3 = 2d most effective, etc.; 0 = not among top four)

Table P6 Investment Priorities & Evaluation of Current Investments

Priority Ranking	% Rating Current Investments	
	Good or Excellent	Poor
1. Green infrastructure (trails, signage, byways, etc)	42%	33%
2. Transportation infrastructure within region	33	50
3. Arts, culture & heritage attractions	50	25
4. Protect more lands and waters	67	17
5. Enhance town & village buildings	9	25
6. Enhance town & village roads/parking	42	17
7 tie. Improve customer service – training	42	17
7 tie. Enhance town & village green spaces	9	33
9. Green infrastructure – park facilities	17	50

Notes on priority rankings: The average rating drops very sharply after the top two categories; there is another significant drop after category 3.

Notes on evaluation of current and planned investments: In general, the proportion of good and excellent ratings in Piscataquis County is lower than in the other two counties.

Evaluation of Current State Support for Destination Development & Future State Priorities: “In your view, how effective is the state’s support for your region’s destination development efforts?” (Response options: excellent, good, fair, poor, don’t know.) “If the state could increase its support for tourism development in your region, what three key investments would you urge it to priorities?” (Responses: open-ended.)

Table P7. Evaluation of State Support for Piscataquis County Tourism

	Percentage of Responses		
	Good or Excellent	Poor	Don’t Know
1. Small business assistance	36%	55%	9%
2. Arts, culture, heritage	27	55	18
3. Protection of recreational lands	27	64	9
4. Town & village revitalization	27	73	0
5. Market research	9	73	18
6. Promotion outside Maine	9	82	9
7. Roads & transport infrastructure	9	91	0
8. Employee training	0	73	27
9. Green infrastructure	0	82	18
10 tie. Cell phone and internet service	0	91	9
10 tie. Promotion within Maine	0	91	9

Notes: A majority of respondents rate every type of state support as “poor.” Overall, the proportion of “poor” responses is significantly higher in Piscataquis County than in the other two counties. (See Tables F7 and W7.) As mentioned above, this may reflect a mix of objective realities with more pervasive sentiments of disappointment and disillusionment.

Table P8. Priorities for State Investment in Piscataquis County Tourism

	Percentage of respondents giving item	
	#1 Rank	1, 2 or 3 Rank
Roads and transportation infrastructure	44%	67%
More effective branding and marketing	22%	100%
Green infrastructure	11%	67%
Conservation of prime lands & waters	11%	22%
Small business assistance, training	11%	22%
All others	0	

Notes: These categories summarize a wide range of specific comments. A few respondents listed fewer than three priorities for state investment.

Coastal Washington County

The following tables are based on eighteen (18) Washington County survey responses.

Destination Strengths: “What are your region’s strengths as a tourist destination, apart from its natural beauty and natural attractions?” (Response options: not a strength, minor strength, major strength.)

Table W1. Perceived Destination Strengths

<u>Overall Ranking (based on average score)</u>	<u>% Indicating “Major Strength”</u>
1. Wildlife watching opportunities	88%
2. Access to natural attractions on public land	82
3. Tranquil and relaxing atmosphere	76
4. Arts, culture & heritage attractions	53
5. Green infrastructures (trails, signage, byways, etc.)	41
6 tie. Attractive well-maintained town & village centers	29
6 tie. Quality of customer service	29
8. Quality lodging and dining options	23
9 tie. Variety of dining & lodging options	12
9 tie. Ease of travel within region	18
11. Access to natural attractions on private land	23
12. Shopping opportunities	6
13. Nearness to large population centers	0

Notes: Average scores drop significantly after the top three categories. The two lowest rated categories are not generally viewed as even minor strengths. Two open-ended explanations of respondent rankings are noteworthy: 1. six respondents emphasize variants on the theme that remoteness, small scale, modesty and authenticity (e.g. “walkable towns and working waterfronts”) should be viewed as destination assets, not drawbacks; 2. two respondents emphasize that the Passamaquoddy Bay region is a two-nation destination.

Destination Weaknesses: “What do you see as your region’s weaknesses as a tourist destination?” (Response categories: Not a weakness, minor weakness, major weakness)

Table W2 Perceived Destination Weaknesses

<u>Overall Ranking (based on average score)</u>	<u>% indicating “Major Weakness”</u>
1. Distance and travel time	56%
2. Weak branding and promotion of the region	44
3. Lack of destination resort/conference center	38
4. Condition of town & village centers	33
5 tie. Quality & variety of dining and lodging	20
5 tie. Shopping opportunities	14
7 tie. Quality of customer service	20
7 tie. Green infrastructure	14
9. Limited arts, culture & heritage attractions	7
10. Restricted access to recreational lands & waters	7
11. Quality & variety of outdoor recreation services	0

Notes: There are significant drops in the average score after category 2, after category 4 and after category 5. In general, the last five categories are not viewed as weaknesses.

Current Economic Importance Compared with Growth Potential: “How important are the economic contributions of the following tourist activities to your region?” (Response options:

economically unimportant, minor importance, major importance, don't know.) "Rank the top five tourist activities in terms of their growth potential in your region." (response options: greatest growth potential; 2nd in growth potential, 3rd in growth potential, 4th in growth potential, 5th in growth potential – otherwise not rated.)

Table W3 Perceived Economic Growth Potential and Current Importance
(Activities are ranked according to perceived growth potential)

<u>Growth Potential Ranking</u>	<u>Current Economic Importance Ranking</u>
1. Experiential tourism	5 tie
2. Wildlife watching	1
3. Canoeing & kayaking	3 tie
4. Arts, culture & heritage	5 tie
5 tie. Family vacations (seasonal homes, rentals)	3 tie
5 tie. Conferences & group retreats	12
7. Boating & sailing	5 tie
8. Fishing (hunting, trapping)	2
9 tie. ATVing	8 tie
9 tie. Hiking & backpacking	8 tie
11. XC skiing & snowshoeing	11
12. Snowmobiling	10
13 tie. White water rafting (no ratings)	13
13 tie Alpine skiing (no ratings)	14

Note on current economic importance: Average scores drop significantly after the top two categories and again after category five.

Notes on growth potential: The most dramatic differences between current economic importance and expected future growth are the upward shift for conferences and retreats and the downward shift for fishing, hunting and trapping. In terms of average values, however, the predicted growth in experiential tourism far exceeds any other category. The average rate of expected growth also drops significantly after the family vacation and conference categories.

Growth Potential by Demographic Group and Season: "Rank growth potential for each of the following tourist groups in your region" (Response options: 4 = greatest, etc.) Rank your region's growth potential for each season, based on the number of additional tourists and their spending." (Response options: 1, 2, 3, 4.)

Table W4 Growth Potential by Demographic Group

<u>Group</u>	<u>Average Score</u>	<u>% "Greatest Growth Potential"</u>
Empty nesters	2.92	50%
Retirees	2.77	25
Families with children	2.15	9
Young adults without children	1.77	17

Note: Washington County respondents' predictions are significantly more convergent than those in the other two case study areas: "mature" tourists clearly predominate.

Table W5 Growth Potential by Season (baseline is current level)

<u>Season</u>	<u>Average Score</u>	<u>% Greatest Potential</u>
Summer (to mid-September)	3.13	53%
Autumn	3.13	40
Spring (to mid-June)	2.06	7
Winter	1.47	0

Note: Most respondents clearly expect coastal Washington County to remain primarily a summer-fall destination.

Amenity Investments: Priorities and Evaluation of Current Efforts: “Evaluate the scope and quality of investments in amenity assets currently underway or planned in your region.” (Response options: excellent, good, fair, poor, don’t know.) “What four amenity investments would be most effective in strengthening your region as a tourist destination?” (Response options: 4 = most effective, 3 = 2nd most effective, etc.; 0 = not among top four)

Table W6 Investment Priorities & Evaluation of Current Investments

<u>Priority Ranking</u>	<u>% Rating Current Investments</u>	
	<u>Good or Excellent</u>	<u>Poor</u>
1. Transport infrastructure within region	7%	50%
2. Develop arts, culture, heritage attractions	38	15
3. Enhance town & village buildings	8	23
4. Enhance town & village roads & parking	15	42
5. Protect lands and waters	67	0
6. Improve customer service - training	25	17
7. Green infrastructure: park facilities	42	9
8. Green infrastructure: trails, signage, etc.	46	0
9. Enhance town & village green spaces	50	25

Notes: In general, investments with larger proportions of “good or excellent” evaluations have relatively low investment priority, and vice versa. The notable exception is investment in arts, culture and heritage, which is evaluated fairly positively, but also has high priority for more investment.

Evaluation of State Support for Destination Development – Future State Priorities: “In your view, how effective is the state’s support for your region’s destination development efforts?” (Response options: excellent, good, fair, poor, don’t know.) “If the state could increase its support for tourism development in your region, what three key investments would you urge it to priorities?” (Responses: open-ended.)

Table W7. Evaluation of State Support for Washington County Tourism

<u>Ranking</u>	<u>Percentage of Responses</u>		
	<u>Good or Excellent</u>	<u>Poor</u>	<u>Don’t Know</u>
1. Protection of lands & waters	50%	50%	
2. Small business assistance	43	57	
3. Green infrastructure	31	61	8
4. Arts, culture, heritage	29	71	

5. Town & village enhancement	29	71	
6. Promotion within Maine	21	79	
7. Market research	21	79	
8. Employee training	17	76	17
9. Promotion outside Maine	15	77	8
10. Cell phone & internet service	8	84	8
11. Roads & transport infrastructure	7	93	

Note: Half or more of respondents rate every type of state support as “poor.” Washington County respondents are far more critical than their Franklin Co. counterparts. (See Table F7.)

Table W8. Priorities for State Investment in Washington County Tourism

	Percentage of respondents giving item	
	#1 Rank	1, 2 or 3 Rank
1. Improved transportation (road, water)	38%	56%
2. Green infrastructure	19	56
3. Town & village attractiveness	13	25
4. Small business support, training	7	37
5. Branding & promotion	7	31
6. Protection of lands & waters	7	19
7. All others	13	31

Note: State support for green infrastructure investment is given high priority in these open-ended responses; although it ranks low among priorities listed in Table W6. State support for small tourism business assistance and employee training are evaluated *relatively* positively in Table W7 and also given relatively high future priority.

Appendix 3: Previous MECEP Tourism Studies and Recommendations

For more than a decade, a central focus of MECEP's sustainable development work has been tourism's contributions to Maine's economic and community vitality, and the tourism sector's challenges and opportunities. Four MECEP reports published between 1998 and 2007 focus partly or entirely on tourism development strategies.

Most recently, our 2007 report, *Health Care and Tourism: A Lead Sector Strategy for Rural Maine*, made the case for targeting tourism as a powerful engine for rural economic revitalization (Vail and Pohlmann eds., or "V & P").

A Lead Sector Strategy for Rural Revitalization

It is strategically imperative to back lead sectors that possess four key features:

- Critical mass (sufficient scale)
- Substantial growth potential
- Export capacity (bringing in revenues from outside the region)
- Significant effects on community vitality. (V & P 11)

That report urged the State to adopt a tourism development mission and implement a *big push* strategy moving well beyond the Maine Office of Tourism's traditional marketing emphasis.

A Big Push Tourism Strategy – 2007 Proposals

1. Shape and brand a landscape-scale *Great Maine Woods Recreation Area*, supported by outstanding "green infrastructures" (park facilities, trails, signage, scenic byways, etc.). Shape a "twin parks" destination, integrating coastal Acadia National Park with Great Maine Woods destinations.
2. Build out rural Maine's cultural and heritage attractions, ideally through Congressional designation of a *Maine Woods National Heritage Area*. Our cultural assets are comparatively modest, but they can be improved, expanded and clustered into appealing itineraries for "experiential tourists."
3. Elevate tourism service quality through augmented small business outreach and front-line employee training programs. Maine's best practice tourism businesses show that top quality service is the key to creating both greater profits and more livable wage tourism careers. (V & P 87)

The State has not formally adopted the big push tourism strategy; however, several of MECEP's proposals have been incorporated into state initiatives. The Center for Tourism Research and Outreach, the Governor's Council on Maine's Quality of Place and the Maine Woods Consortium have acted on MECEP's recommendations, and the *Keeping Maine's Forest* initiative's destination-building strategy, combining conservation, public access and complementary green infrastructures has many parallels with our proposed *Great Maine Woods Recreation Area*.

The present study and the 2007 report build upon the findings and policy recommendations contained in three earlier MECEP reports:

Spreading Prosperity to the “Other Maines.” 2005. Lisa Pohlmann and David Vail, eds.

Livable Wages in Maine Tourism? 2000. David Vail and Wade Kavanaugh.

Tourism and Maine’s Future. 1998. David Vail, Michael Cote, Wilfred Richard and Mark Lapping.

Contributor Bios **(In alphabetical order)**

Judith C. East is Executive Director of the Washington County Council of Governments. Building on her two decades of experience at the local, regional and state levels in Maine, Vermont and New York, Judy currently works with Washington County communities on a wide range of issues related to land use planning and public facilities investments. A member of the American Institute of Certified Planners, Judy has particular expertise working with rural communities to balance land and resource conservation with economic development.

Alison Hagerstrom has been Executive Director of the Greater Franklin Development Corporation for the past seven years. She is responsible for creating jobs in the greater Franklin County area, primarily through business attraction. Alison serves on the UM Farmington Board of Visitors and the board of directors of the United Way of the Tri-Valley. A Temple, Maine native, Alison is a former business owner with over twenty years of manufacturing and management experience. She has also served as a consultant to Franklin Memorial Hospital.

Bruce Hazard served as director of Maine Mountains Heritage from 1995 to 2010. In that role, he helped businesses, nonprofits and government agencies find new ways to use natural and cultural resources to generate economic and social value. Under his leadership, MCH convened the Maine Woods Consortium, an open network that promotes a “triple bottom line” approach to revitalizing communities and economies in Maine’s rim counties. Bruce’s new consulting venture, Placeworks, fosters place-based development in Maine and elsewhere.

Donna Loring currently works for Four Directions Development Corporation, a Native Non-profit Financial Development Institute serving the Maine Tribes. She also holds the position of Wabanaki Tourism Coordinator. Previously, Donna served for nearly a decade as the Penobscot Nation’s Representative to the Maine Legislature. In her career as a law enforcement professional, she was the first woman police academy graduate to become a police chief in Maine. A writer and educator, Donna’s most recent book is *In the Shadow of the Eagle: A Tribal Representative in Maine*.

Alexis Mann, the study’s research assistant, is currently pursuing a PhD in social policy at Brandeis University’s Heller School for Social Policy and Management. Alexis has worked for several Maine community development organizations since graduating from Hamilton College. Her collaborations include the Maine Center for Economic Policy, Senator Susan Collins’ office and the Redevelopment Authority preparing the Master Reuse Plan for the Brunswick Naval Air Station.

Roger Merchant is the Extension Educator in the University of Maine’s Cooperative Extension program. Roger’s current work with UM Cooperative Extension centers on community approaches to cultural heritage and natural resource tourism. His program base runs the gamut from forestry to environmental leadership education and from organizational develop-

ment to home-based businesses. Roger has been a key player in creating and leading the Piscataquis Tourism Taskforce (now Authority). Roger is a professional forester and certified interpretive guide.

David Vail is Adams Catlin Professor of Economics and former director of environmental studies at Bowdoin College. Since 2004 he has co-directed MECEP's project, *Spreading Prosperity to All of Maine*. He currently serves as advisor to the Maine Department of Environmental Protection's *Environmental Leader* certification program, the University of Maine System's Center for Tourism Research and Outreach and Four Directions Development Corporation.

Bryan Wentzell is Maine Policy Manager for the Appalachian Mountain Club. He has worked in AMC's conservation policy department for eight years, half of them in his native Maine. Bryan oversees AMC's conservation policy work in Maine and coordinates land use and community partnerships on AMC's 65,000 acres of conservation lands in the 100 Mile Wilderness region. Since childhood, Bryan has been hiking, paddling, skiing, fishing and hunting in the Maine Woods.

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Endnotes

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- ⁱ Murphy 2007, The Nature Conservancy 2006
- ⁱⁱ See, for example, Brooks, 2009, on “New Hampshire Grand.”
- ⁱⁱⁱ Participants in the 2003 Blaine House Conference on Maine’s Natural Resource-based Industries urged greater investment in “green infrastructure” to enhance the quality of outdoor recreation experiences and attract more tourists. (State Planning Office 2004, 2006) Although the Maine Nature Tourism Initiative (MNTI), which followed from the Blaine House Conference, focuses primarily on outdoor recreation, the MNTI *Strategic Plan* targets experiential tourists and prioritizes “opportunities to experience the state’s unique... *historical and cultural resources*.” (Fermata 2005: 1, emphasis added)
- ^{iv} (Brookings 2006: 6)
- ^v (May 2008)
- ^{vi} Governor’s Council on Maine’s Quality of Place. 2008: 12-13.
- ^{vii} Reilly and Renski 2007: 40
- ^{viii} Brooks 2
- ^{ix} Favreau 2010
- ^x Governor’s Office 2010
- ^{xi} Fairpoint 2008: 3
- ^{xii} Personal communication with the author.
- ^{xiii} AMC 2009
- ^{xiv} Vail 2004
- ^{xv} See Bruce Hazard’s accompanying essay.
- ^{xvi} Fermata 2005
- ^{xvii} MOT 9
- ^{xviii} Davidson-Peterson 2009. p. 125
- ^{xix} Alison Hagerstrom essay.
- ^{xx} Roger Merchant and Brian Wentzell essay,
- ^{xxi} Vail, D. 2007. “World Class Tourism: A Big Push Strategy.” In Vail and Pohlmann, eds.
- ^{xxii} Bruce Hazard essay
- ^{xxiii} Personal communication
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