

CenTRO Newsletter and Updates

Issue 2

September 2008

A Message from the Director

Dr. Harold Daniel

As you read this newsletter CentTRO is transitioning from an eventful summer to a busy fall that will see CentTRO researchers analyzing data collected during the summer. This will include the evaluation of projects and programs funded by the Maine Tourism Marketing Partnership Program (MTMPP) grants. Data from the evaluation of the American Folk Festival (one of 3 festivals in which representatives from CentTRO will have been involved this summer) will also be processed, analyzed and reported this fall.

Given the work load, it is fortunate that I can report to you that Marilynne Mann, a recent Master's Graduate of the Parks, Recreation and Tourism program, is now filling the big shoes left by the departure of Lisa Bragg in January. Marilynne has stepped in and taken over where Lisa left off. She is leading the American Folk Festival evaluation project for CentTRO, led the data collection effort for the Tour de la Valle Festival and supported data collection for the Acadian Festival. Data collection on these latter two festivals represents collaboration with the Margaret Chase Smith Policy Center. Marilynne has also been involved with the final analyses and reporting for the Overnight Visitor's Study for which we have contracted an analyst to complete. She has also assumed the role of point person with the regional grant managers for the MTMPP program evaluations.

Other CentTRO personnel include Ana Zivanovic, the graduate assistant who so ably manages the



MTMPP grant evaluation program and will continue to work with Marilynne on the program until she completes her MBA in December. Ana joined CentTRO from Serbia by way of Spain, where she gained extensive experience in the hospitality industry. She has earned numerous awards including being identified as the outstanding MBA student for 2007-2008. Bernardita Silva will join CentTRO as a graduate assistant this fall. Joining us from Chile, she is seeking a Master of Science degree in Resource Economics and Policy. Her interests include rural development and tourism. Kimberly Junkins continues as CentTRO's Administrative Assistant overseeing budgets, managing CentTRO's website, the production of this newsletter and coordinating meetings including the Maine Tourism Advisory Committee meetings and this year's Education Summit.

It is a great pleasure to report that Todd Gabe's tourism chapter in the Report of Estimated Impacts of Global Climate Change on Maine's Economy has received great support from all responding to our requests for review. Of particular note is the way the chapter frames the issues around climate change and tourism, recognizing that tourism is a competitive business and that climate change will impact travel to Maine and its competitors' territories. Even though the environment in Maine may deteriorate, similar or even accelerated environmental

deterioration in competing states or provinces may still favor Maine as a leisure travel destination. This raised the importance of monitoring climate change in Maine and competing states and/or provinces. Todd's chapter will now be folded into the larger report to be submitted to Governor Baldacci by the University of Maine's Climate Change Institute this fall.

Charlie Colgan continues to lead our traffic forecasting efforts with the Turnpike Authority. The forecasts continue to demonstrate their accuracy. CenTRO is planning to expand its forecasting activities, with the Authority providing additional information to support development of additional forecasts and improved insights into visitor travel to Maine.

The original CenTRO project, the Overnight Visitors Study, will soon be complete. CenTRO will release a final report on the Overnight Visitors Study this fall. George Miaoulis, a marketing professor who is joining the faculty of the Maine Business School this fall, was hired to complete the reporting for the Overnight Visitor's Study. The Overnight Visitor's Study was fielded over 12 months between 2006 and 2007. The report will be finished when economic impact analysis has been completed and added. The data will continue to be available for specialized analyses.

CenTRO continues to collaborate with tourism related programs in the University of Maine System. Most recently, this has included the Maine Lobster Institute with whom CenTRO has partnered to develop a project that would estimate the value of lobstering for Maine's tourist economy. We have been working with UMaine Economics professor Mario Tiesl to achieve this goal in a project titled *Employing Conjoint Analysis to Assess the Affects of Rural Culture on Tourism, Using the Lobster Culture in Rural Maine as a Model*. An effort lead by Lisa Bragg and Lobster Institute Assistant Director Cathy

Billings while seeking funding for nearly a year has recently identified a potential funding source for the project. A grant application and proposal are in the works and will be submitted in September.

Covered in greater detail below, the plans for 2009's MBA student international travel to the Brazilian Amazon to study sustainable business, particularly eco-tourism, have firmed up dramatically, a result of my planning trip to Manaus, Brazil in July. This is becoming a very exciting opportunity to observe new attractions and new business models for hospitality and for workforce development that might have value in Maine. Also covered in greater detail below, the research method for the Maine Tourism Marketing Partnership Program evaluation is evolving as a result of an emerging partnership with Davidson-Peterson Associates (DPA), the Maine Office of Tourism (MOT) Visitor Tracking Contractor.



In spite of our best efforts this summer, the development of a near real time visitor tracking and reporting system will have to wait for next year. Pilot testing for the project, which would have featured weekly reporting of basic visitor tracking statistics, was considered impractical this year when members of the lodging industry could not reach agreement on participation in the project in time to conduct the test. In the interim, pressure for the development of this product has been reduced by the increased frequency of reporting visitor tracking statistics by Davidson-

Peterson Associates. DPA will report visitor tracking statistics based on surveys of visitors on a quarterly basis. This represents a 4-fold increasing in reporting frequency compared to Longwoods.

April's Tourism Education Summit continues to pay dividends. It has positioned CentTRO to take the lead in encouraging the development of educational infrastructure to support tourism workforce development in Maine. The industry's educational needs range from short term, as needed training for front line workers, to longer term career education for tourism leadership. These are issues that will occupy CentTRO for some time to come. It is a task for which CentTRO is uniquely qualified.

Dividends are also being realized by investments in CentTRO's Tourism Fellows. Last year's grants yielded an innovative trade area analysis to yield an estimate of the impact of tourism in Maine by Todd Gabe and a study of recreational fishing in Downeast Maine by Kevin Athearn. Both of which were presented to the advisory committee (MaineTAC) in May. Two grants were awarded this year to Jessica Leahy for investigations in (1) the feasibility of creating partnerships among landowners in Maine's inland rim counties to improve access to private land for public recreation, and (2) the development of a bedrock interpretive trail in Maine. Another round of fellows grant applications are expected by the end of the year, which means that we will be seeking the support of members of the advisory committee to serve as judges for awarding next year's grants.

Finally, I offer a personal opinion about the future of tourism in Maine as we see the obvious pain inflicted by escalating prices for gasoline, food and other commodities. We are now hearing reports of changes in behavior in attempts to alleviate the pain at the pump. Even the Maine Office of Tourism, like many of its competitors, has promoted "stay-cations", as a means of avoiding

potential leakages of tourist dollars from Maine residents that take their leisure travel out of state without the concurrent in-migration of leisure travelers from Massachusetts and other more distant population centers. But there are more fundamental changes in value perceptions that are taking place as consumers seek to drive less, irrespective of the objective impact of increasing transportation costs on the average leisure traveler. As leisure travel increases in cost, what is likely to occur is a change in the value proposition required to attract leisure travel to Maine, particularly to its more distant interior and coastal locations requiring longer drive times. Visitors are likely to become more demanding, seeking a "bigger bang" to offset the perceived "bigger buck" required to visit. This is likely to require new, more personally exciting attractions delivering more personally memorable tourist experiences. This will require more innovative marketing to attract the reluctant tourist to try the new destination and its new attractions for the first time.

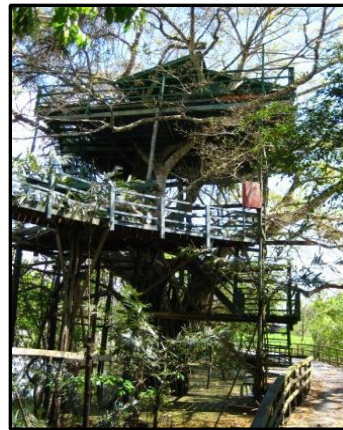
Driven by fickle consumers seeking a variety of new products and optimal stimulation, many companies in other markets (e.g., packaged consumer goods) have long understood the value of "freshening" the product line with new items, while removing tired old items to maintain excitement around the original product. This has driven industries to innovate in order to maintain their customer bases. This is nowhere more evident than in electronics where cycle times for major improvements in existing products have been driven to less than 12 months. iPhone has given way to iPhone 3g in less than a year. The same has also been true for tourism in the past as leisure travelers have sought new experiences, abandoning former leisure travel destinations with aging, stale "product lines". This pattern seems likely to become even more prevalent for reasons beyond mere variety seeking as destinations respond to an increasingly turbulent business

environment, seeking to “freshen” their product lines with innovative new attractions that capitalize on the destination’s strengths, while avoiding their weaknesses, to deliver higher value more personalized tourist experiences to offset the perception of dramatically increasing travel costs.

For these reasons we are also likely to see upscale destinations weather these conditions with relative ease, while more vulnerable mainstream destinations struggle to attract leisure travelers. The market attracted to upscale destinations, with greater financial resources, may be less sensitive to evolving gasoline prices or able to easily adjust their lifestyles to accommodate the changes in energy costs, as well as costs of other commodities. Like the market for mainstream leisure travel, this market will become more competitive as destinations adjust their product lines to attract the upscale market and increasingly abandon the mainstream market. As a result, Maine will probably face an even more competitive leisure travel market. Failure to respond to these changes may not be a viable option. Survival for many of the state’s mainstream leisure travel destinations may depend on whether they have “freshened” their product lines recently. The destinations most at risk will be those that are most distant from the major population centers. The challenge will be in knowing how to respond.

CentTRO clearly has a role to play in understanding the evolving value perceptions of leisure travelers who face not just increasing gas prices, but turbulent, uncertain gas prices. This is evident over the last 3 months during which we witnessed a peak in the price of crude oil and gasoline, and are now seeing declines in those prices.

CentTRO also has a role to play in determining how to respond to the changing tourist landscape. We can and should work to identify the new attractions that will motivate prospective visitors,



either upscale or mainstream visitors who may more acutely perceive the travel distances involved in visiting Maine as they perceive the value of their travel dollar shrinking. CentTRO can identify the new

attractions that will encourage these travelers to risk their increasingly scarce time and fragile finances to travel to Maine for a new, more personally compelling tourist experience. Whether the new idea is tree top lodging for bird watchers or floating lodging to enhance the watchable wildlife experience, we should be systematically investigating the new tourist experiences that will drive future travel to Maine and to destinations in Maine that need to offer a higher quality experience to offset increases in the travel costs to reach the destination. Now is the time to start the process and plant the seeds for future success. CentTRO is uniquely poised to lead this effort.

Evaluation Research for the Maine Tourism Marketing Partnership Program (MTMPP) Evolves

On Thursday, July 17, members of CentTRO’s management team met with representatives from the Maine Office of Tourism and Davidson-Peterson Associates, Maine’s new visitor tracking contractor. The goal of the meeting was to determine where CentTRO projects overlapped with DPA’s data collection efforts and would benefit from partnership with DPA.

The questionnaire developed for the MTMPP evaluation research was identified as having a sufficient overlap with the new questionnaire for the MOT’s visitor tracking research. For example, both questionnaires sought information about

perceptions of leisure travel destinations, about visitor expenditures while visiting those destinations and about intentions to return in the future. While the CentTRO project focused on the state's regions as the focal travel destinations, the visitor tracking questionnaire focused on Maine as the focal destination.

Capitalizing on these commonalities and achieving goals for both projects in a single project required adjustments to both the visitor tracking questionnaire and the data collected for the MTMPP evaluation research. The DPA questionnaire was expanded to capture region specific perceptual data from regional visitors, while the MTMPP questionnaire sacrificed the collection of perceptual data from regional non-visitors, as well as the analysis of perceived barriers to trial/re-trial for each region. Likewise, spending outside of the primary regional destination was sacrificed to accommodate the timing requirements for DPA's questionnaire. Since most travelers visit a single primary regional destination, this likely represented a minimal sacrifice. The visitor tracking questionnaire was expanded to record the likelihood of visiting each region and likelihood of recommending each region to a friend. Finally, regional web sites were included as response options for questions about the sources of information used in planning the most recent leisure travel. Having MTMPP evaluation research "piggy back" on the Maine Visitor Tracking Questionnaire provides the additional benefit of access to all of the data collected for visitor tracking which can be used for profiling visitors to each region. Piggy backing on the visitor tracking questionnaire will result in no changes to the sample planned for the MTMPP evaluation research. As planned, the survey of respondents in the control condition (the General Population Survey), now conducted as part of Maine's visitor tracking research, will be conducted among a general population of travelers within the drive market for the state of Maine.

CentTRO researchers will analyze the data collected for the MTMPP evaluation research and provide reports to the regional managers.

The merging of these projects will yield costs savings which will be passed on to the regions and to the MOT as savings in the cooperative agreements.

Maine's eight tourism regions are involved in CentTRO's MTMPP research via a link to the recruiting questionnaire from their web sites. These include Aroostook County, Downeast and Acadia, Kennebec and Moose River Valleys, Maine Beaches, Maine Highlands, Maine Lakes and Mountains, MidCoast, and Portland Casco Bay. Regions may also be participating via a version of the recruiting questionnaire suitable for use in the telephone fulfillment process or via a version of the recruiting questionnaire designed for use in trade shows. Data will be collected from the contacts that CentTRO has "banked" to date via the current survey which will be completed at the end of September. This collected data will be part of the conversion study being facilitated by Davidson-Peterson Associates.

Fellows Grant Recipient Update

Cross-Disciplinary Environmental Communication Planning Grant: An Interpretive Bedrock Trail in Maine

PIs: Jessica Leahy (Forest Resources) and Chris Gerbi (Earth Sciences)

This is a feasibility study about interpreting Maine's geology through a highway-based auto trail or itinerary called the Bedrock Trail. We anticipate that there could be many benefits from creating an interpretive auto trail. For visitors, our trail could provide more satisfying experiences, a greater sense of place, and the

achievement of desired learning goals. For tourist destinations, the Bedrock Trail could add to the number of activities possible in their area, thus extending visitor stays in the area. Further, this trail, spanning across several tourist destinations, could solve some of the concerns raised by FERMATA about how regions “do not function as any sort of thematic group and are largely just a disconnected collection of sites.” To date on this project, we have met with tourism/outdoor recreation and earth science stakeholders to gather input on the feasibility of the Bedrock Trail. We have interviewed people involved in the Ice Age Trail for “lessons learned.” We’ve also been pulling together relevant information for an interpretive prospectus with the help of graduate students, Jackie Zimmerman and Eva McClelland. We have also toured two separate different potential travel routes scoping geological features for possible inclusion in the Bedrock Trail. We hope to present our preliminary findings at the fall MaineTAC meeting. See you there!

“Feasibility of Public/Private Access Opportunities and Partnerships for Landowners in Maine’s Inland Rim Counties”

PI: Jessica Leahy (Forest Resources)

Private forest landowners who allow the public to use their forest land for outdoor recreation are vital in Maine due to the small amount of public land available. Concern about loss of access and increased rates of posting are growing for several reasons. Incentives, public/private opportunities and partnerships are all potential mechanisms for maintaining and encouraging recreation access. This study proposes to research interest in these mechanisms among forest landowners in Maine’s inland rim counties (Oxford, Franklin, Somerset, Piscataquis, and Aroostook). This project, which will begin shortly, will use multiple research approaches including a comprehensive literature review, analysis of existing public/private

opportunities and partnerships with the Northern Forest region, focus groups with various stakeholders, a mail survey, and non-linear regression (e.g., logit modeling) to identify significant factors influencing a forest landowner’s interest in providing public recreation access and estimate minimum landowner compensation required to provide this access. The mail survey, which will employ economic (contingent valuation method) and non-economic methodology, will be distributed to 2,000 randomly-selected landowners owning greater than 10 acres in the study area. This research will contribute to theories relating to landowner decision-making, particularly their decisions regarding public access. Understanding landowner opinions regarding public recreation access opportunities on private land in the state of Maine will identify areas for policy change, incentive programs, and partnerships.

Plans for Eco-Tourism Student Investigation Firm Up

In July Harold Daniel visited the Brazilian city of Manaus, the base for next year’s student travel and investigation into sustainable business models in general and eco-tourism in particular. While in Brazil, he met managers of eco-tourism businesses in the Amazon region. This included management of the Ariau Amazon Towers eco-lodge, and the Amazon Eco-Park, as well as Su Frama the regional economic development organization with responsibility for eco-tourism and the supervision of the Zona Franca – Manaus Free Trade Zone.



He also visited a fish farm that raises Pirarucu a native fresh water fish that averages 200 pounds at maturity. The owner claimed

that he made more from tourists visiting the fish

farm to see the fish than from selling the fish for food. He was planning to take advantage of this turn of events. While there, Harold also met the American Consular General for Manaus, a 1976 University of Maine graduate named Sherre Nelson. Sherre also teaches eco-tourism at Uni Norte, the Laureate University in Manaus.

While Harold was not able to travel to the Mamiraua Sustainable Development Reserve to scout the Uakari Floating Lodge, he was able to learn more about how it operates and how to reserve time for student visits to this unusual and exotic location. Next year's trip will feature a 3 night- 4 day visit to Mamiraua. This will include guided wild life tours and a visit to a native village.

The trip will also feature a boat trip for students to observe the attributes of the different ecosystems which they will visit. The Rio Negro ecosystem, in which Manaus is located, is defined by the high Ph of the river's water that has been stained black with the tannins of the leaves that fall into it along its banks. The ecosystem of the Rio Solimoes, which joins with the Rio Negro to form the Rio Amazon near Manaus, is defined by its turbulent white water which carries silt and nutrients and features water that is much less acid than that of the Rio Negro. Because the Ph in the black water ecosystem is so high, biting insects like flies and mosquitoes, cannot survive, making for a pleasant visit for the soft adventure tourist, while the white water ecosystem favors the hard adventure eco-tourism who will have to endure more of the discomforts of the jungle. Mamiraua is located in a white water eco-system of the Rio Solimoes, while the Amazon Eco Park and the Ariau Amazon Towers are located in the black water ecosystem of the Rio Negro.

Topics of investigation will include policies supporting eco-tourism in the Amazon, particularly financial policy as well as support for

workforce development and training. Students will also investigate operations to identify best practices in eco-tourism management.

You can learn more about the Amazon trip by visiting the CentRO web site and clicking on the link to the Amazon Trip.

Associate Researcher Update

Marilynne Mann

American Folk Festival News



CentRO is excited to be working with American Folk Festival Leadership at the 7th annual Folk Festival being held August 22 – 24, on the Bangor waterfront. Festival volunteers, along with CentRO personnel, will be asking Festival goers to identify the attendance patterns and factors important to them in choosing to attend the Festival. Heather McCarthy, Festival Director, has generously offered Festival T-shirts as incentives for respondents of the survey. Contact information collected by means of an email address will be used to invite respondents to a longer on-line survey and will examine satisfaction levels and the economic impact of the Festival in the Greater Bangor area.

This research is the culmination of a process started a year ago with a visit to USDA in Bangor. It marries elements of traditional economic impact analysis with customer satisfaction measurement techniques first explored in Maine's campgrounds

two years ago. CentRO management plans to use this experience to create a standard package of measurements and reports that can be offered to other municipalities in Maine for supporting their own fairs and festivals.

CenTRO Fellows

CenTRO has added two additional Fellows recently. They are:

Andrea Ednie, Assistant Professor of Recreation and Tourism Management

Andrea Ednie joined the faculty at UM-Machias in 2007. She earned her Ph.D. in the Parks, Recreation, and Tourism program (School of Forest Resources) from the University of Maine Orono, and her Masters degree in Recreation & Natural Resources from the University of New Brunswick, Canada. Andrea's teaching and research interests combine a love of outdoor adventure and her care and concern for the environment. She teaches nature-based tourism courses such as outdoor recreation, sustainable tourism, and recreation behavior and the environment. Andrea is currently involved in research exploring recreation expectations in Maine, in work analyzing visitor impacts along the Maine Island Trail, and in research exploring visitor and local sense of place along the Maine Coast.

Mark Edwards, Franklin County Office, Farmington

Marc Edwards is an Associate Extension Professor with University of Maine Cooperative Extension in the program area Tourism and Economic Development. He received this appointment November 2006. Marc received his M.S. in Forest Management with a focus on nature-based tourism in 2003 from the University of Maine, Orono, where he also received his B.S. in Parks, Recreation, and Tourism in 1997. Prior to returning to university for a career change, Marc enjoyed a ten-year-long career as a fire protection engineer. Since returning to academic life his major interest is in nature-based tourism development in Maine. Marc organized Maine's first Nature-Based Tourism Symposium in 2002,

helped to organize the sustainable tourism platform of the Governor's Conference on Tourism in 2003, and before his appointment with University of Maine Cooperative Extension helped to develop an Audubon Nature Center in upstate New York. In his current position as Extension Educator Marc is working to support nature-based tourism entrepreneurs through applied research and educational programming.

Upcoming Events

October 22, 2008 8:30 – 2:00	MaineTAC meeting Wells Commons University of Maine
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Thank you for your support.

The CenTRO Staff