## Tourism: An Integral Part of a Community's Economic Development Portfolio

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## Today's Talk...

- What is the tourism industry?
- Its economic significance to LA?

## Whose responsibility is its development and control?









#### Tourism & Economic Development

- Piece of the diversification puzzle
- Tourism should be considered as part of any community's development strategy
- Creates jobs, income, and tax revenues

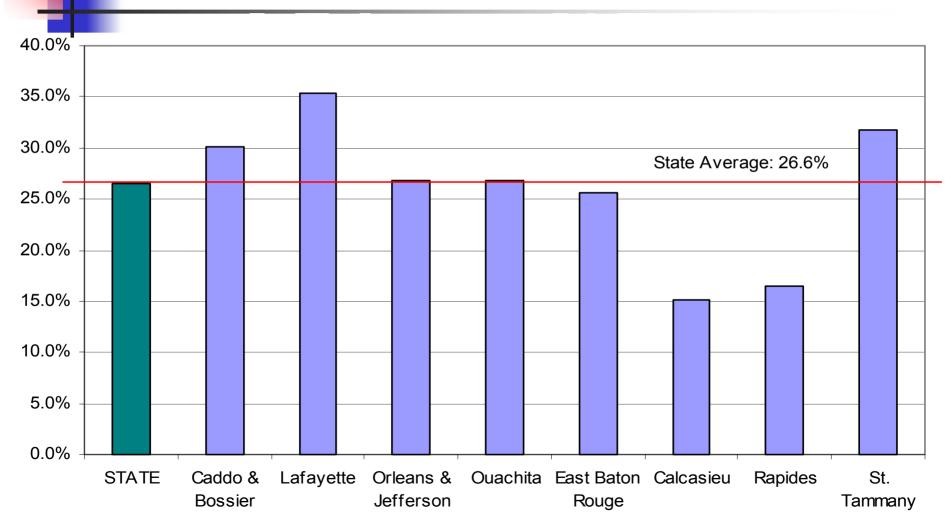
## What is the Tourism Industry?

- Group of profit-making and some public enterprises
- Broader definition of "industry"
- Economic sector that has developed around the activities and needs of the traveling public.
- Traveling public- business & leisure

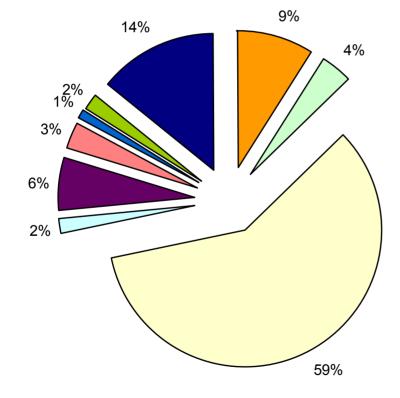
#### LA Domestic Travel Expenditures 1995 and 1999

| *values in millions of dollars |            |          |            |          |        |
|--------------------------------|------------|----------|------------|----------|--------|
|                                | 1995       |          | 1999       |          | Change |
| STATE                          | \$6,070.10 | %ofState | \$7,681.73 | %ofState | 26.6%  |
| TOP TEN                        | \$5,187.49 | 85%      | \$6,585.00 | 86%      | 26.9%  |
|                                |            |          |            |          |        |
|                                |            |          |            |          |        |
| Caddo & Bossier                | \$546.91   | 9.0%     | \$711.89   | 9.3%     | 30.2%  |
| Lafayette                      | \$206.86   | 3.4%     | \$280.05   | 3.6%     | 35.4%  |
| <b>Orleans &amp; Jefferson</b> | \$3,559.44 | 58.6%    | \$4,515.79 | 58.8%    | 26.9%  |
| Ouachita                       | \$106.14   | 1.7%     | \$134.64   | 1.8%     | 26.9%  |
| East Baton Rouge               | \$382.83   | 6.3%     | \$481.05   | 6.3%     | 25.7%  |
| Calcasieu                      | \$195.46   | 3.2%     | \$224.91   | 2.9%     | 15.1%  |
| Rapides                        | \$87.68    | 1.4%     | \$102.11   | 1.3%     | 16.5%  |
| St. Tammany                    | \$102.17   | 1.7%     | \$134.56   | 1.8%     | 31.7%  |

#### LA Domestic Travel Expenditures Percent Change 1995 and 1999



#### Top Ten Parishes Distribution of Domestic Travel Expenditures





## So Who is a Tourist?

Visitor from some other location, and:

- does not intend to stay permanently,
- visiting friends or relatives
- may be...
  - on vacation
  - on business trips
  - attending a special event
  - participating in a sporting event
  - just sightseeing



### **Top Ten Tourism Truisms**

- **10.** Tourists want attractions and activities; not parishes and communities
- 9. The tourism environment is dynamic.
- 8. Tourism has its benefits, but it also has its costs.









### Top Ten Tourism Truisms (cont.)

- 7. Tourism is a complex, service sector industry, where:
  - \* customers come to the product;
  - \* expenditures are for tangibles; driving forces are the intangibles.
  - \* public sector management; private sector job and income creation.

### Top Ten Tourism Truisms (cont.)

- 6. Public and private partnerships are essential to market and promote parishes and communities!
- 5. Area-wide cooperation is essential. Must join forces to provide an adequate attractions' base for visitors. "Grow the pie".
- 4. Professional, enlightened and dedicated leadership is needed to make it happen!

### Speaking of tourism leadership!

- How is the tourism industry organized in LA?
  - Private components



- Public components
- Local organizations



#### How is the Tourism Industry Organized in LA?

- Private Sector
  - Attractions, accommodations, eating establishments, etc.
  - Trade associations- LTPA, LHMA, LRA
  - Close working relationship with public sector—state and local

How is the Tourism Industry Organized in LA? (cont.)

#### Public Sector

 State level- Office of Tourism within DCRT. Primary mission: out-of-state marketing and promotion

Local level- 50+ tourist commissions and convention and visitor bureaus

# Typical Tourist Commission & CVB:

Purpose: to promote tourism in the parish or multi-parish region Advertise, and publish information relating to tourism attractions in the Parish using lodging tax as primary revenue base. Country Vew Orleans

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# Typical Tourist Commission & CVB:

#### Commissioners/ CVB members

- Residents of the Parish
- Nominated by a nonprofit organization
- Appointed by Parish government
- Volunteers; receive no salary or compensation
- No or small staff led by an Executive Director

#### Top Ten Tourism Truisms (cont.)

- 3. Effective tourism organizations are accountable, rely on staff, involve all commissioners/members, and the rest of the community.
- 2. It's about \$\$\$. Stable funding base, a plan, budget, and spend accordingly.
- **1. It's a war out there. Plan and then plan some more! Effectiveness requires order and organization.**