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

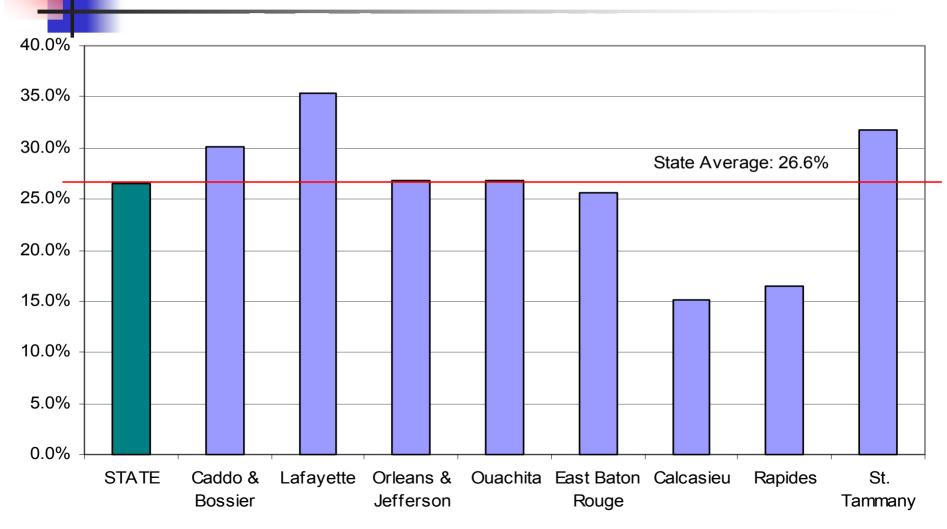
What is the Tourism Industry?

- 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

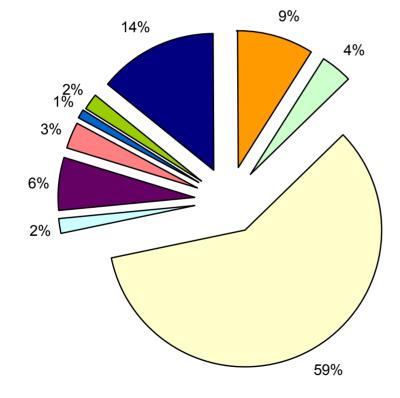
LA Domestic Travel Expenditures 1995 and 1999

*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%
Orleans & Jefferson	\$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.**