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

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<thead>
<tr>
<th></th>
<th>1995</th>
<th>1999</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>STATE</td>
<td>$6,070.10</td>
<td>$7,681.73</td>
<td>26.6%</td>
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<tr>
<td>TOP TEN</td>
<td>$5,187.49</td>
<td>$6,585.00</td>
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<tr>
<td>Caddo &amp; Bossier</td>
<td>$546.91</td>
<td>$711.89</td>
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<td>Lafayette</td>
<td>$206.86</td>
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<td>Orleans &amp; Jefferson</td>
<td>$3,559.44</td>
<td>$4,515.79</td>
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<td>Ouachita</td>
<td>$106.14</td>
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<td>East Baton Rouge</td>
<td>$382.83</td>
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<td>Calcasieu</td>
<td>$195.46</td>
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<td>Rapides</td>
<td>$87.68</td>
<td>$102.11</td>
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<td>St. Tammany</td>
<td>$102.17</td>
<td>$134.56</td>
<td>31.7%</td>
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LA Domestic Travel Expenditures
Percent Change
1995 and 1999

State Average: 26.6%
Top Ten Parishes
Distribution of Domestic Travel Expenditures

- Caddo & Bossier: 14%
- Lafayette: 9%
- Orleans & Jefferson: 6%
- Ouachita: 4%
- East Baton Rouge: 3%
- Calcasieu: 2%
- Rapides: 1%
- St. Tammany: 1%
- Rest of State: 59%
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.
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.
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.
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.**