

# Product Development Opportunities

ARIZONA   
Origins



## GOING BEYOND PROMOTION

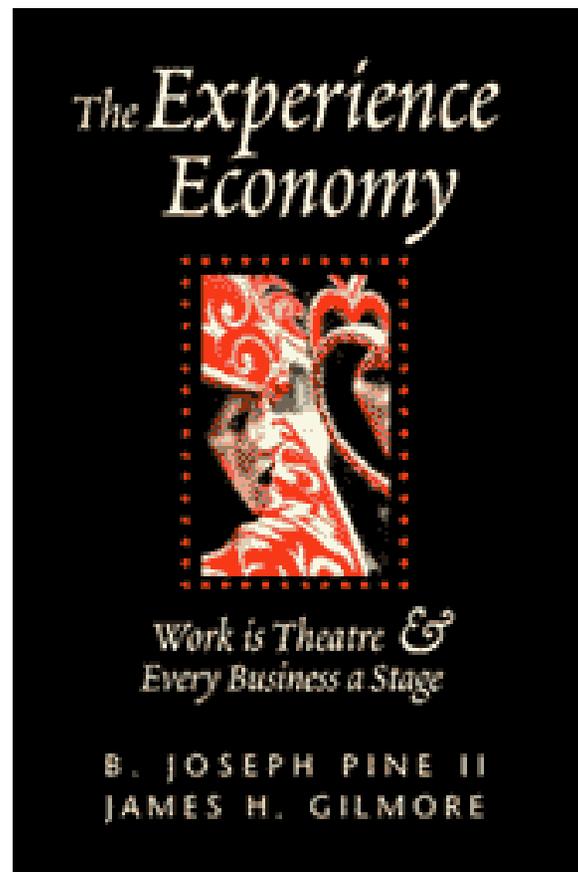
Cannot be marketing  
initiative alone

Must understand traveler  
desires, expectations and  
trends



**Resulting implications to  
Product Development!**

# VISITOR ENGAGEMENT TODAY



“To be successful in today’s increasingly competitive environment companies must learn to *stage experiences* for each one of their individual customers. We have entered the Experience Economy, a new economic era in which all businesses must orchestrate memorable events for their customers that engage each one of them in an inherently personal way.”

# GENERATIONAL VARIATION – PERSONALIZATION



Generation	Born Between	Current Age
GI	1901-1924	80-103
Silent	1925-1942	62-79
Boomer	1943-1960	44-61
Gen X	1961-1981	23-43
Millenial	1982-?	0-22

Source: Neil Howe – LifeCourse Associates

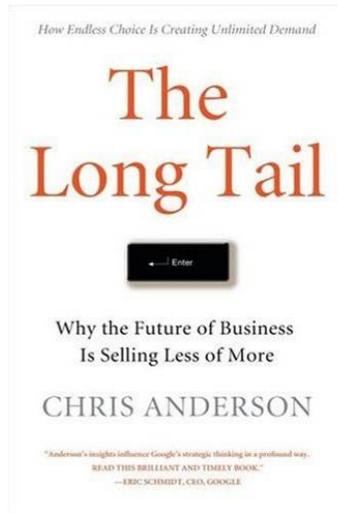
# NICHE EXPERIENCES EVOLVING

- GenXer and Millennials
- Travelers with Disabilities
- GLBT Market
- Girlfriend Getaways
- Mancations
- Procreation Vacations
- Babymoos
- Culinary Travel
- Medical/Life Enhancement Travel
- Voluntourism
- Pet Travel
- Space Travel



Source: Travel Industry Association

# THE LONG TAIL – IMPLICATIONS FOR GEOTOURISM?



*The Future of Business is Selling Less of More!*

*Our culture and economy is increasingly shifting away from a focus on a relatively small number of 'hits' (mainstream products and markets) at the head of the demand curve and toward a huge number of niches in the tail. As the costs of production and distribution fall, especially online, there is now less need to lump products and consumers into one-size-fits-all containers.*



Chris Anderson  
Editor in Chief, Wired Magazine

## ATTENDANCE LEVELS

**Many National/State  
parks and cultural  
destinations facing  
stagnant or declining  
visitation trends**

# NATIONAL PARK ENVIRONMENT

## House of Representatives Testimony April 2006

Of the 130 national park units in the Intermountain region\*, 38 units, or 29 percent, had their peak visitation year before 1990. Only 18 units, or 14 percent, have had their peak visitation year since 2000.

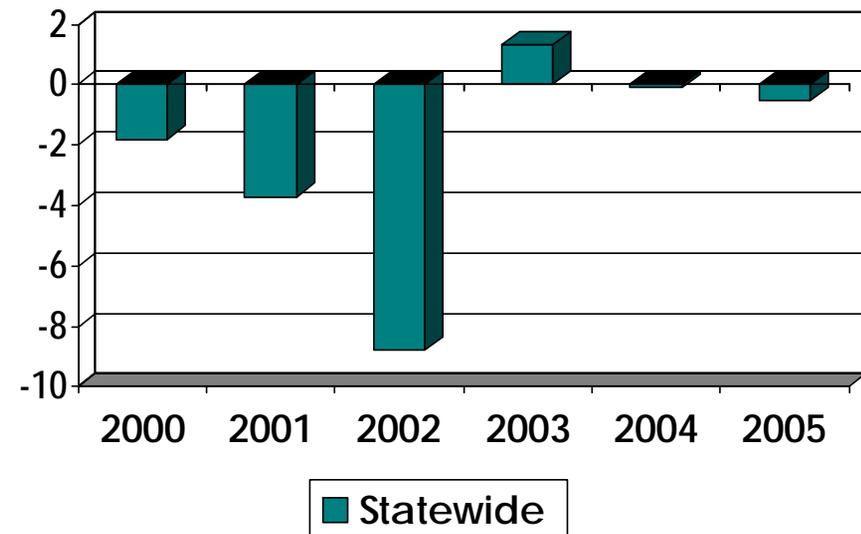
Michael Cerletti  
Cabinet Secretary of Tourism for the State of New Mexico.

\* Intermountain Region includes nine western states (six WSTPC states plus South Dakota, Texas and Oklahoma)

# ARIZONA'S NATIONAL AND STATE PARK ATTENDANCE

- Visitation has dropped from 23.5 million in 2000 to 20.8 million in 2005
- 12% decline

Park Visitation - % Change



Source: University of Arizona - Economic and Business Research Program

# NATIONAL PARK ENVIRONMENT

## Factors influencing Stagnant or Declining National Park Trends

- Public Misunderstandings About Overcrowded Parks and Environmental Damage
- Social Trends
  - Extended vacations the exception
  - Popularity of electronic entertainment - *Last Child in the Woods: Saving Our Children from Nature-Deficit Disorder*
- Fee Increases
- Deficient Infrastructure
- Lack of Marketing and Public Relations
- Meaningful Park Experiences - Often Unchanged Interpretive and Education Programs

Source : Testimony to The U.S. House of Representatives Committee on Resources – Subcommittee on National Parks – April 2006

# NATIONAL PARK PROACTIVE STEPS

- Listening sessions around the country – ways to strengthen the country's 390 site National Park System - 2 in Arizona
- President Bush's National Park Centennial Initiative - provide up to \$3 billion of new public and private investment to improve and expand national park conservation, preservation and visitor service programs by the National Park Service's 100th birthday in 2016
- Fiscal Year 2008 budget, the President proposed the largest increase in operating funds for the national parks (a \$258 million increase over Fiscal Year 2006, for a total of \$2.4 billion)



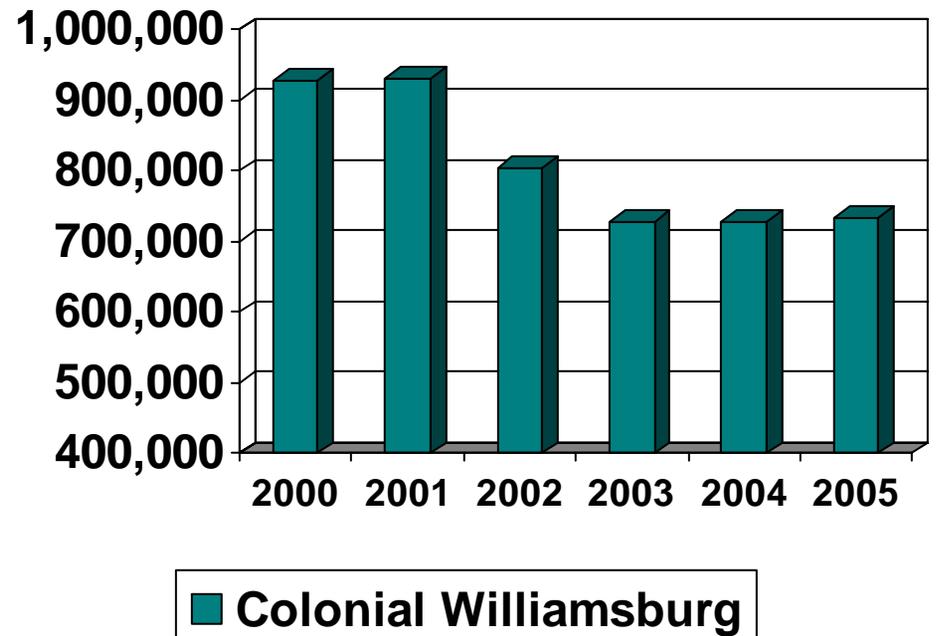
# CHALLENGES AT MAJOR HERITAGE DESTINATIONS



Declining attendance also being experienced at well recognized heritage destinations like Colonial Williamsburg

21% decline 2005 versus 2000

## Paid Attendance



# THE EVOLVING WORLD

“Nationwide, museums are re-evaluating how the public identifies with them - with the reduction of people traveling and revenues down, museums must find ways to connect with the public. In these economic tough times, a place like Henry Ford can't afford not to find a way to appeal to more people.”

*Edward Able Jr., President of the American Association of Museums*



AMERICAN  ASSOCIATION OF MUSEUMS  
*Enhancing the ability of museums to serve the public interest since 1906*

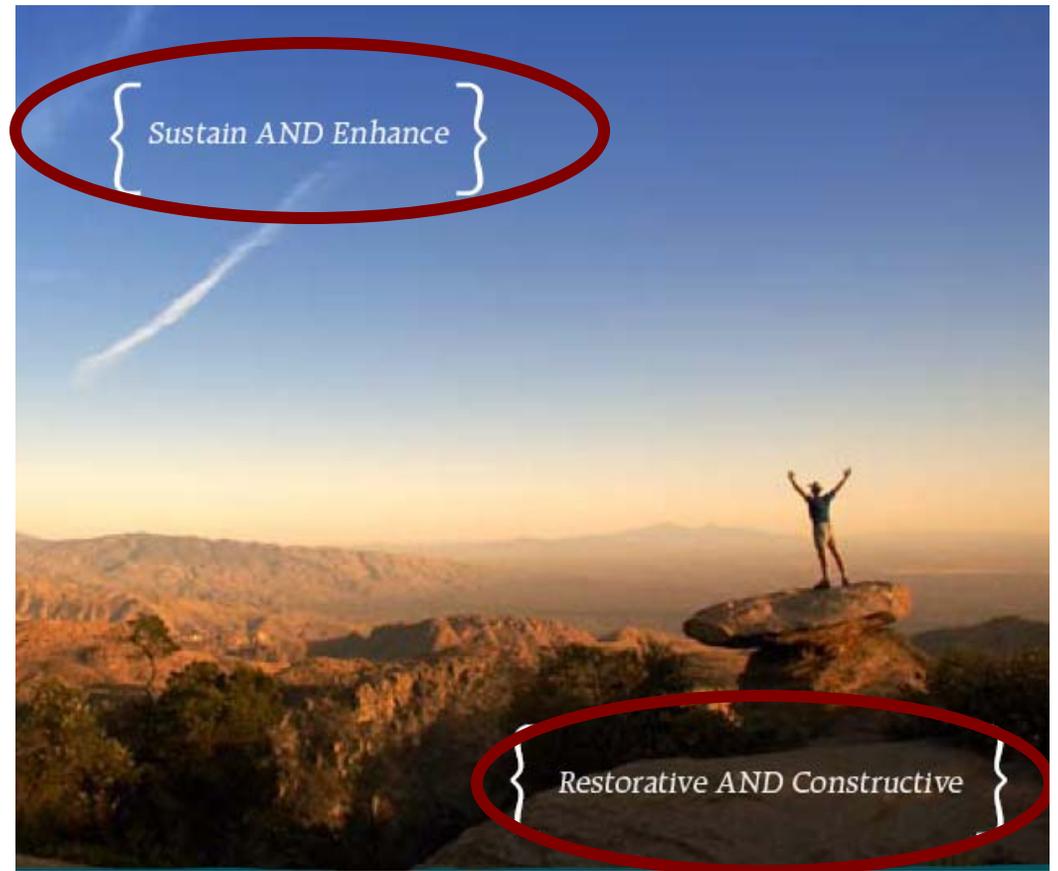


**ARIZONA**  
OFFICE OF TOURISM

# APPLYING GEOTOURISM PRINCIPALS

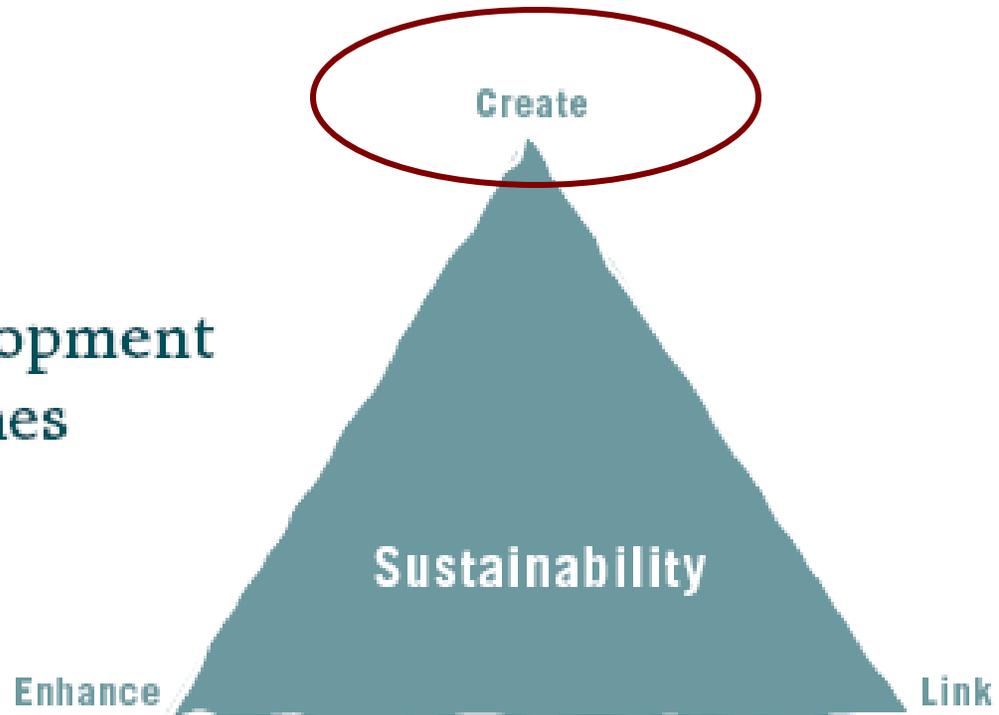
## Destination Architect

## Critical Role!



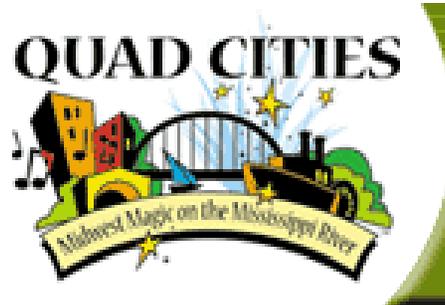
# PRODUCT DEVELOPMENT APPROACHES

## Product Development Approaches



# BUILDING ON AGRICULTURAL HERITAGE

## Use Power and Allure of John Deere



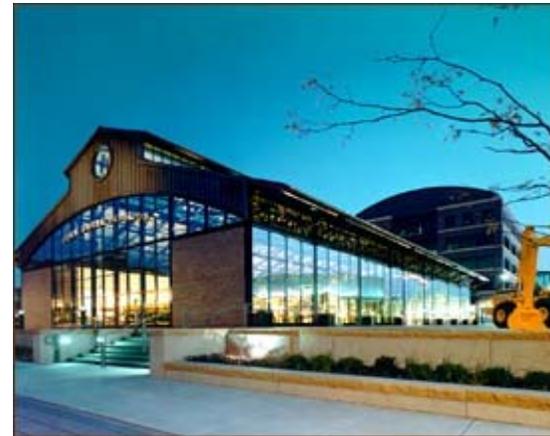
# DEERE PAVILLION

\$50 million Civic Renewal  
Project – Quad Cities

Most comprehensive agricultural  
exhibit in the world

Opened 1997 – has attracted  
more than 1 million guests –  
one of Illinois' top 5 tourist  
attractions

Followed by Historic Site,  
Collectors Center, Home &  
Gardens



# MEMPHIS BUILDS ON MUSIC



# CREATING AN ARTISTS COLONY – PADUCAH KENTUCKY

- Artist Relocation Program
- Started August 2000
- Loan program up to 300 % of appraised value on existing structures
- Free lots for new construction
- Up to \$2500 for architectural fees
- Relocated 45 artists from 21 states across country



**PADUCAH**  
Kentucky  
*Art, Rhythm & Rivers*



*Welcome to Paducah.*

Enjoy our thriving arts district, wide variety of cultural pursuits, rich history, fine dining, and eclectic accommodations.



# NEW APPROACHES IN PRESIDENTIAL LIBRARIES



Media Rich Gateway



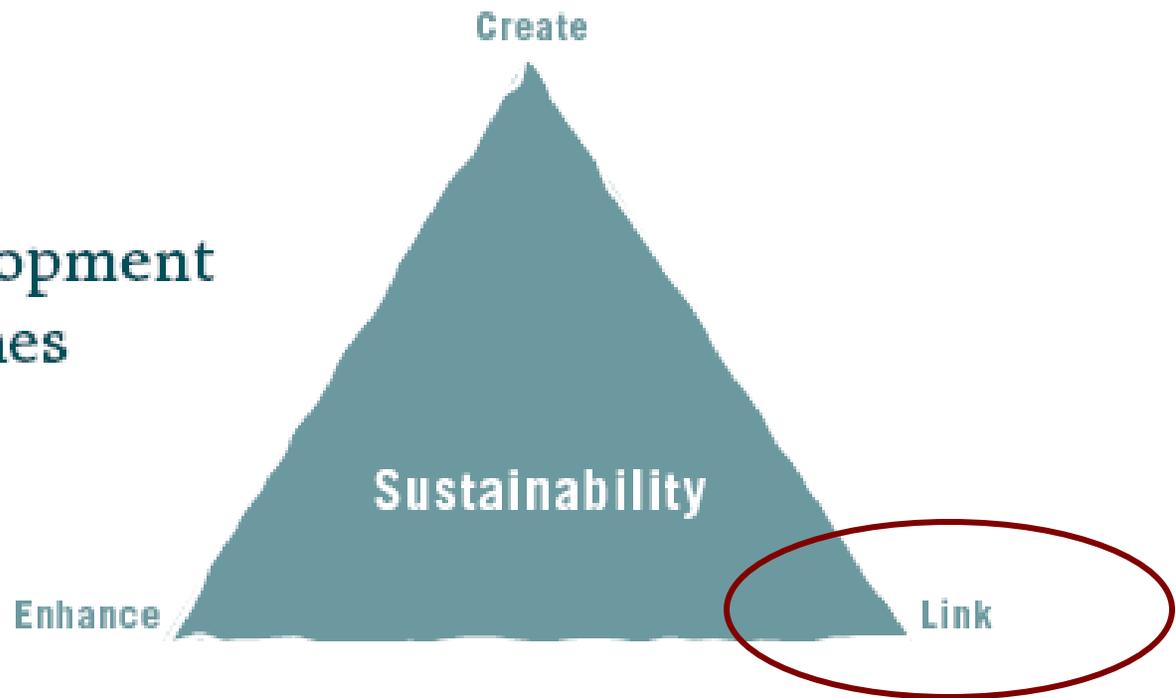
Special Effects Theater



Holavision Theater

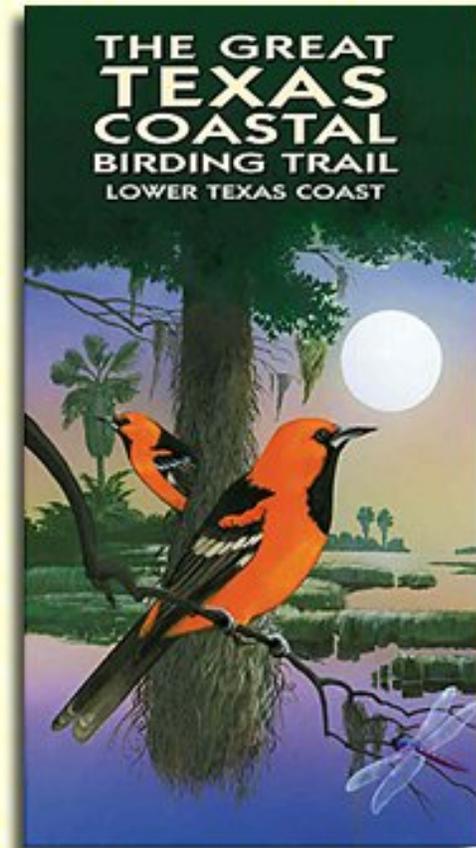
# PRODUCT DEVELOPMENT APPROACHES

## Product Development Approaches



# LINKING BIRDING EXPERIENCES

- Texas 1<sup>st</sup> state in nation to develop wildlife viewing/driving trails – April 2000
- Linked 310 bird watching sites and communities
- Economic incentives for landowners and communities to conserve habitats while providing recreational opportunities for the traveling public
- Wildlife trails of Texas promote sustainable economic development, build public support for conservation of wildlife and habitats, and provide a marketing platform for a growing nature-based tourism industry.
- Distributed 400,000 trail maps to interested visitors



# LINKAGES ENHANCE REGIONAL EXPERIENCE

## About the Visitor Center



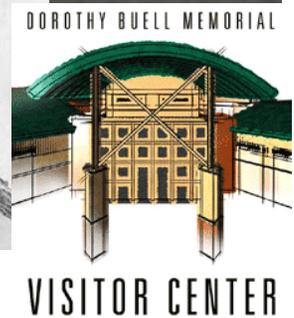
### MISSION

The Independence Visitor Center is the primary point of orientation for *Independence National Historical Park (INHP), the City of Philadelphia, the Southern New Jersey and Delaware River waterfront, as well as Bucks, Chester, Delaware and Montgomery counties in Pennsylvania.*

# CHANGING HOW VISITORS EXPERIENCE

## Indiana Dunes National Lakeshore

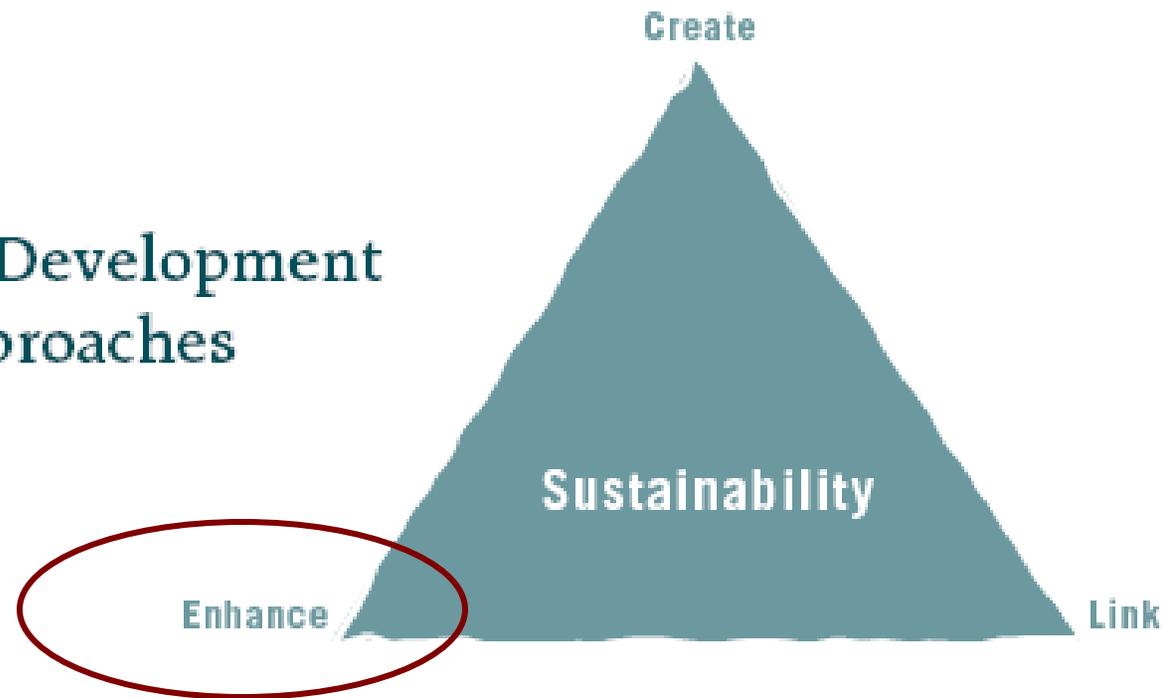
- Henry Cowles published an article entitled "Ecological Relations of the Vegetation on Sand Dunes of Lake Michigan," in the Botanical Gazette in 1899 that established Cowles as the "father of plant ecology" in North America
- Evolve from a beach day trip from Chicago or Indianapolis to multi-day ecological experience
- Joint CVB/NPS visitor center – films, exhibits
- Proactive steps to integrate state parks, national parks county resources and private sector in integrated trail experience





# PRODUCT DEVELOPMENT APPROACHES

## Product Development Approaches



# REINVIGORATING UNIQUE MONTANA HERITAGE

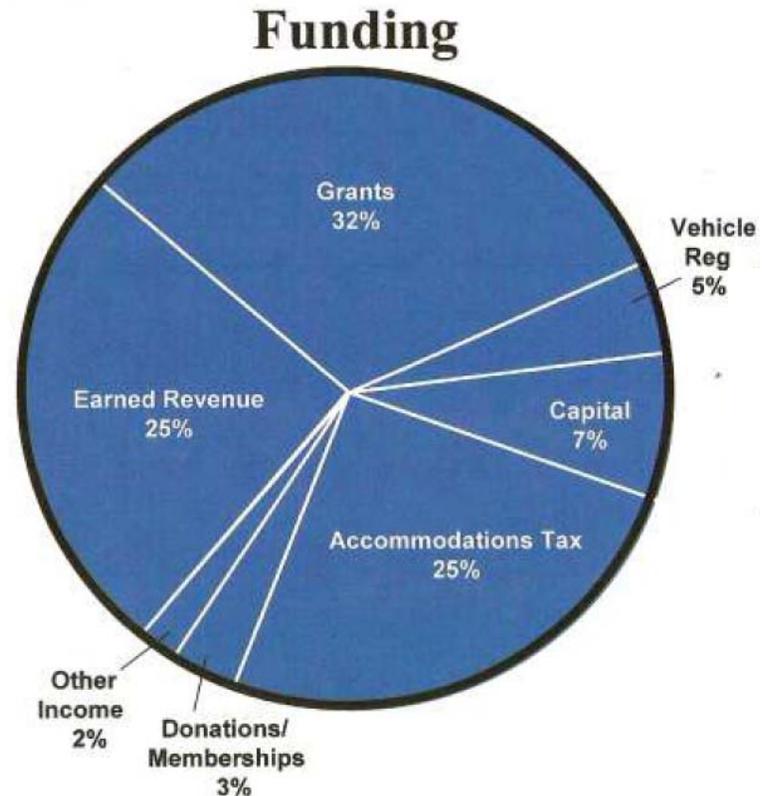
- 1997 Montana Heritage Commission purchased major assets Virginia City and Nevada City - \$6.7 million – currently valued at \$17 million
- Buildings and artifacts were in significant risk
- 42 parcels of land, 258 buildings, hundreds of thousands of artifacts
- Montana now owner and manager of what may be “the most complicated business in the entire state of Montana”
- Expanded visitor center, orientation video, entrance gate, restored steam locomotive, \$1.1 million Curatorial Center
- Manages over 25 concessionaires
- 5<sup>th</sup> most visited site in Montana

“Bringing the Past to Life”



# MULTIPLE REVENUE STREAMS ESSENTIAL

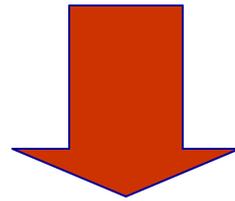
- Initial capital allocation from state legislature
- Earned income – more than doubled over last 6 years
- Accommodation tax collections
- Congressional appropriations
- State appropriations
- Vehicle registration earmark \$.25
- Volunteers (Americorps workers)
- Filming and movie income



# HOW DID THE HENRY FORD RESPOND

\$200 Million Transformation

The Henry Ford Museum and  
Greenfield Village



*The Henry Ford -  
America's Greatest History  
Attraction!*

# THE EVOLUTION



"This is more than a name change - We're creating a much more understandable institution with multi-venues."

*Steve Hamp*  
*President the Henry Ford*



## NEW ELEMENTS AND IMPACTS

- New Village Entrance and Districts
  - Infrastructure Improvements
    - Rosa Parks Bus
  - 40,000 Flexible Exhibit Space
    - James Bond Exhibit
    - Rouge Plant Tours

**Attendance targeted to rise by  
approximately 1/3 to 2 million annually by  
2008/09!**

# ENHANCING STORY WITH TECHNOLOGY



AUDIO TOURS FOR PEOPLE WHO DON'T NORMALLY TAKE AUDIO TOURS.

*Links and integrates  
dispersed elements –  
deepens ability to build  
understanding*

*Use approach to help  
execute generational linking  
concepts*



▶ US: NEW YORK  
MANHATTAN  
WALL STREET



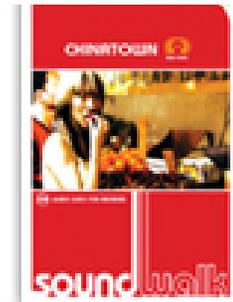
▶ US: NEW YORK  
THE BRONX  
GRAFFITI WALK



▶ US: NEW YORK  
MANHATTAN  
MEAT PACKING DISTRICT



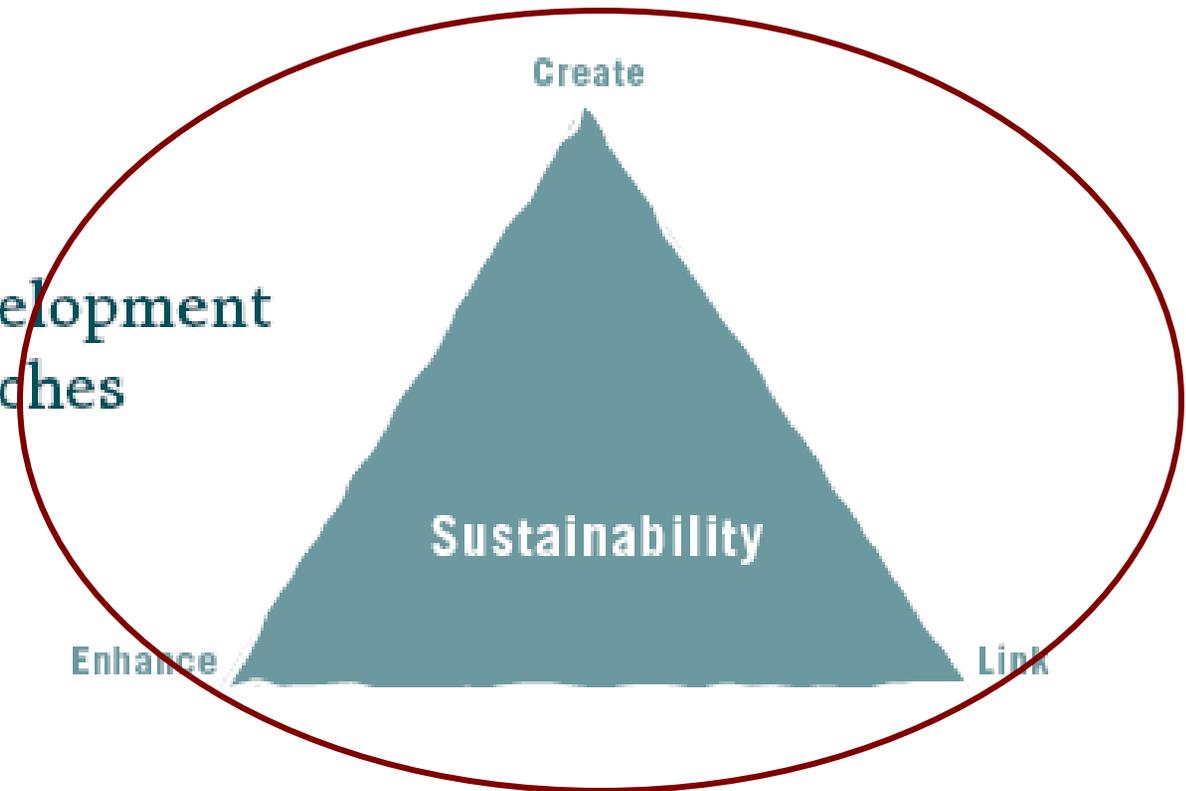
▶ US: NEW YORK  
MANHATTAN  
TIMES SQUARE



▶ US: NEW YORK  
MANHATTAN  
CHINATOWN

# HOW TO PRIORITIZE

Product Development  
Approaches



# PRODUCT POWER

**Destination Drivers**

**Stimulates Travel Decision**

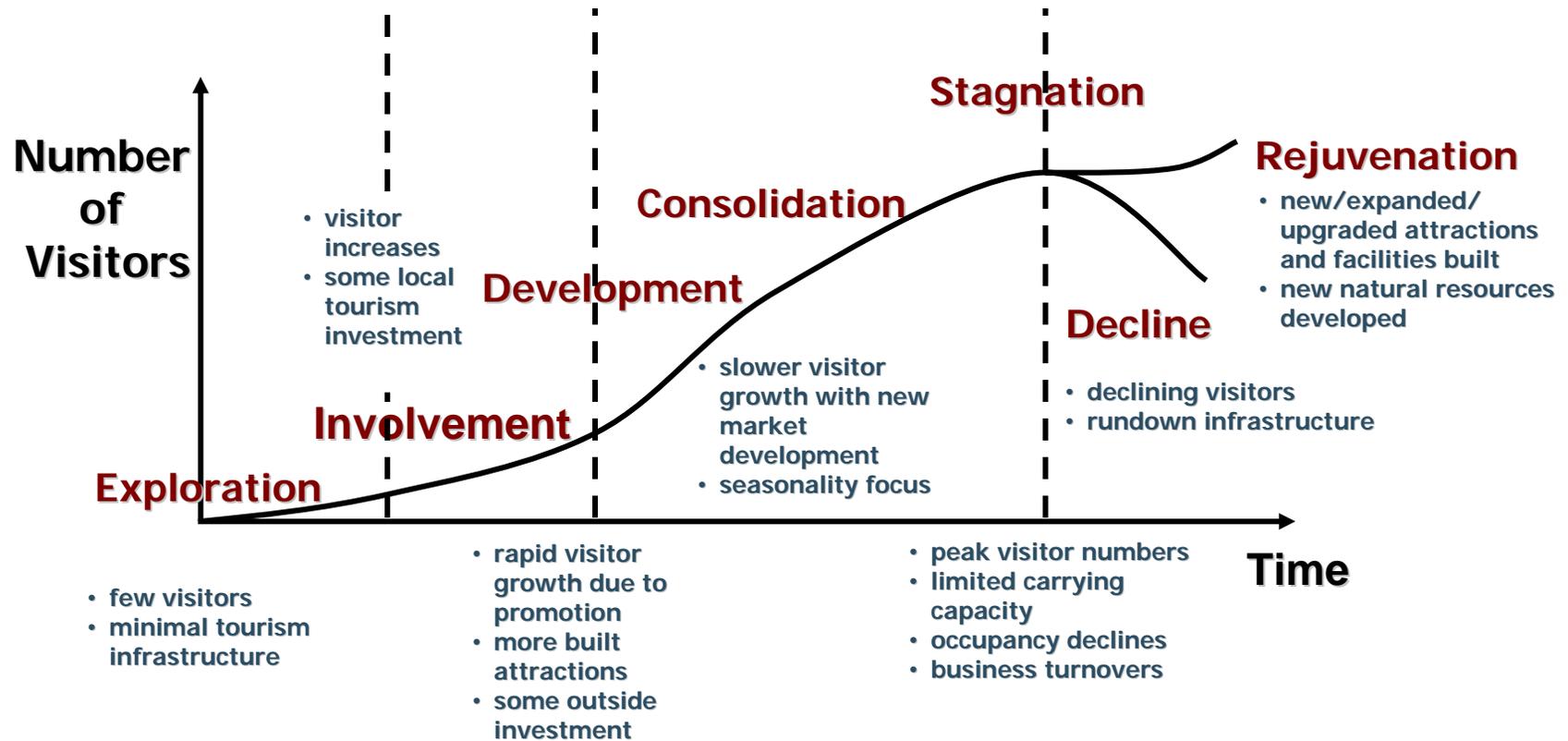
**Driver Accelerants**

**Increases Degree of Decision Stimulation**

**Dependent Amenities**

**Little Influence on Decision to Travel Process**

# DESTINATION LIFECYCLE



Source: Butler (1980)

# PRODUCT DEVELOPMENT PRIORITIZATION

## 1. Inventory Geotourism asset base

Identify geotourism related assets both in the destination's immediate area, as well as in areas of close proximity.



# PRODUCT DEVELOPMENT PRIORITIZATION

## 2. Categorize by Geotourism type

Categorize products into one of seven geotourism segments – Archaeological Site, Festival, Historical Site, Mission, Museum, Natural or Scenic Area, or Other Point of Interest. Look for prospective areas of concentration or potentially more important – logical gaps.



# PRODUCT DEVELOPMENT PRIORITIZATION

## 3. Evaluate product drawing attraction potential – current and potential

Is the product a Destination Driver, a Driver Accelerant, or a Dependent Amenity? Consider the products current drawing power, as well as its future potential if linked, enhanced or developed more fully.



# PRODUCT DEVELOPMENT PRIORITIZATION

## 4. Identify community and sustainability issues

Specifically consider community interest and concerns related to the various products.

Additionally, look to access and carrying capacity factors related to the product, as well as other sustainability related concerns.



# PRODUCT DEVELOPMENT PRIORITIZATION

## 5. Prioritize product development opportunities

Based on the previous steps, prioritize product development opportunities that hold the greatest potential to enhance the overall destination. This prioritization should also consider those opportunities that can build a competitive advantage for the destination and fit with other community goals.



# PRODUCT DEVELOPMENT PRIORITIZATION

## 6. Take proactive steps to be a destination architect

Play one of a number of roles, including being a facilitator, a supporter, an advisor, an investor or an operator.



# VARYING ROLES

## Role

## Activities

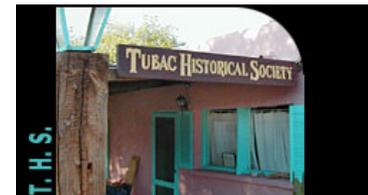
### Facilitator

- 'introduces' prospective entities
- new visitor product opportunities identified



### Supporter

- attraction and event marketing/sales
- sponsorship/bid support
- packaging
- destination/industry training



# VARYING ROLES

## Role

## Activities

### Advisor

- market research
- feasibility studies
- strategic destination plan



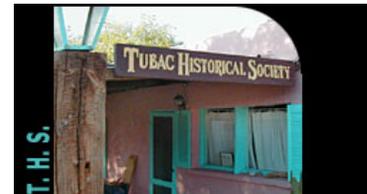
### Investor

- event
- attraction



### Operator

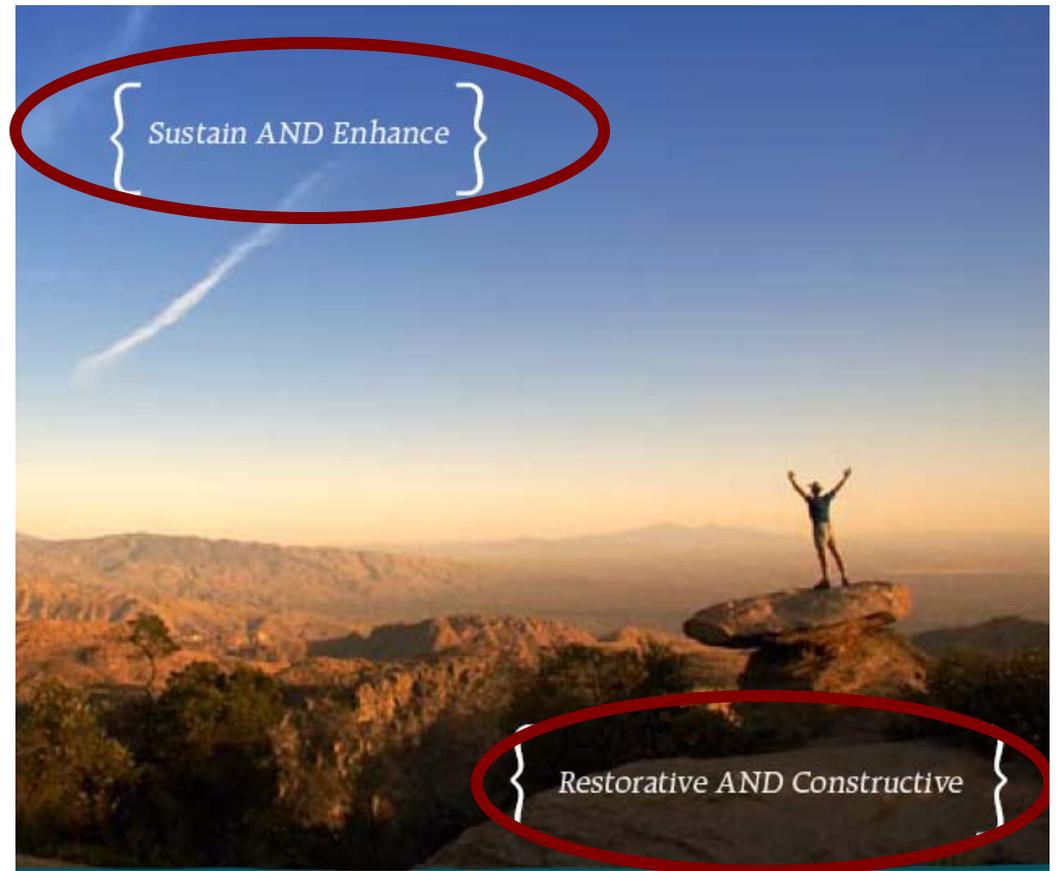
- natural attraction
- destination center



# APPLYING GEOTOURISM PRINCIPALS

## Destination Architect

## Critical Role!



# WORKSHOP EXERCISE

- Breakout Groups
- Opportunities for product development initiatives

Create

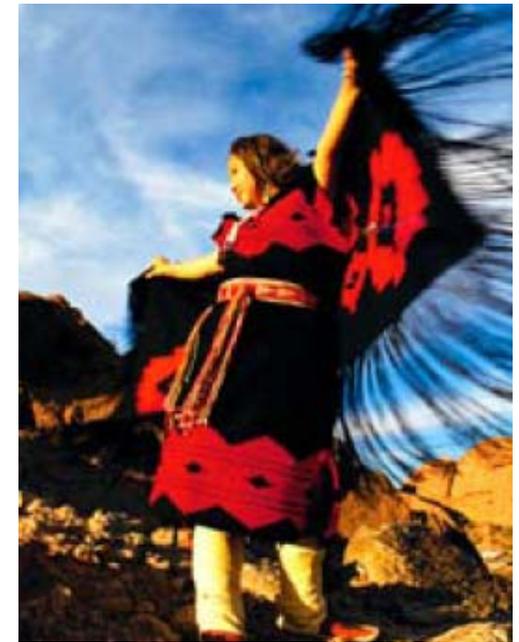
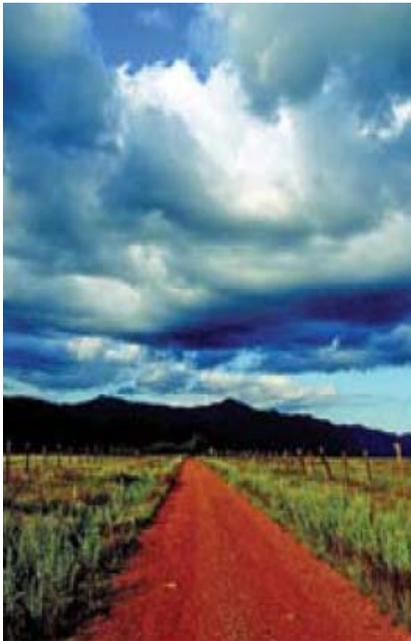
Link

Enhance

- Three to five best ideas
- Group review



# Product Development Opportunities



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