

PROSPER

getting value from regional tourism



WHAT IS PROSPER?

Prosper is a national tourism research project commissioned by the Cooperative Research Centre for Sustainable Tourism (CRC Tourism) and managed by the Centre for Regional Tourism Research (CRTR – see www.regionaltourism.com.au). Prosper involves researchers from Southern Cross University and Murdoch University. Prosper aims to develop context specific and holistic models for evaluating the capacity of regional communities to use innovation as a means of harnessing tourism's economic, social and environmental value.

WHY INNOVATION?

Regional communities are often disadvantaged in their attempts to harness tourism for its economic, social, and environmental value. Regional communities tend to be isolated from sources of learning, investment, and markets. Innovation is required to increase the competitiveness of regional destinations, and to ensure long-term sustainability of tourism development. Innovation involves taking an original approach and finding new ways of using existing resources while looking to develop additional resources. For regional Australia this often involves problem solving by mobilising the existing economic, social, cultural and political capital to move forward. Being able to innovate allows regions, companies and industries to adapt to changing circumstances; take advantage of new opportunities; and maximise 'returns' from product or process delivery. Innovation in regional tourism involves organisations and institutions working in competition and collaboration to stimulate sustainable tourism development.

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In partnership with:



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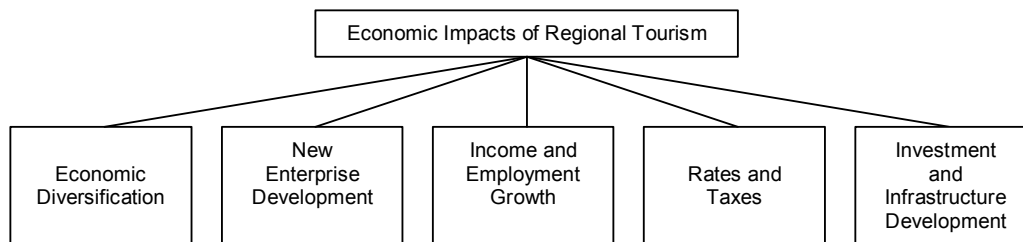
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WHAT DOES IT DO?

Prosper:

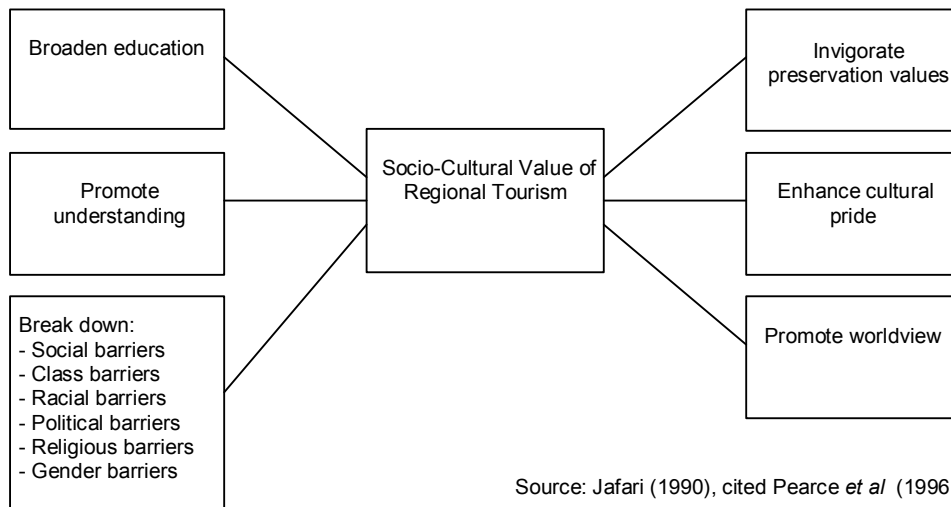
1. Works with communities to build a picture of the current and past value of tourism along a number of dimensions as reflected in Figures 1, 2 and 3.

Figure 1. Economic Value of Regional Tourism



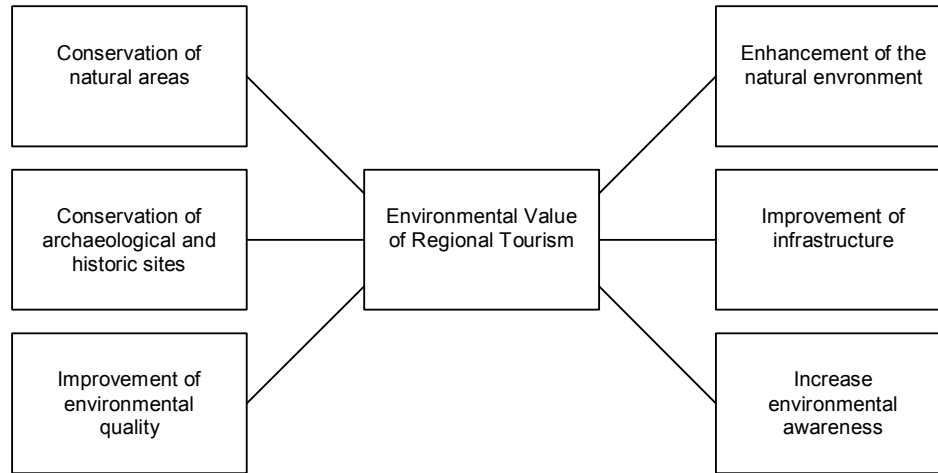
Source: Adapted from Prosser (2001:96)

Figure 2. Socio-Cultural Value of Regional Tourism



Source: Jafari (1990), cited Pearce *et al* (1996:100)

Figure 3. Environmental Value of Regional Tourism



Source: Adapted from Inskeep (1991:342-344)

2. Identifies the potential for, and constraints to, enhancing the value of tourism through the strategic engagement of community resources;
3. Develops a set of considerations which can be incorporated in strategic planning, and which address issues of: capacity building; industry development; and innovation.

WHAT RESEARCH IS DONE?

1. *Economic value assessment*: analysis of the contribution of visitor spending to business income and employment. The stage also identifies which organisations benefit from visitor spending.
2. *Social value assessment*: analysis of community values, and assessment of the consistency of visitor management with those values.
3. *Environmental value assessment*: identification of environmental management issues, and the contribution of tourism to the preservation of community amenities.
4. *Industry analysis*: a version of Porter's Competitive Forces Model is applied to understand the capacity for industry development. This includes a network analysis to identify organisations and institutions with a stake in tourism in the community. The organisations involved in regional tourism systems include: enterprises from a number of industry sectors associated with tourism (accommodation, food and beverage, attractions, transport etc.); volunteer and community based activities (events, visitor services etc.); marketing and management agents (representing Local Government and State Government); collaborative agents (including Regional Tourism Organisations, Chambers of Commerce etc.); and an emerging R&D sector (including the Cooperative Research Centre for Sustainable Tourism, CSIRO, TAFEs and Universities).

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5. *Tourism timeline*: an historical analysis charts the development of tourism and its key organisations and institutions over time. The timeline charts: business activity; tourism activity; and environmental activity to describe key decision points and changes that may have influenced the current value of tourism.
6. *Assessment against innovation indicators*: multiple data sources are used to make judgements regarding the structures that may facilitate tourism innovation in the destination. These structures include:
 - a. *Economic Competence*;
 - b. *Clustering of Resources*;
 - c. The existence of *Networks*;
 - d. The presence of productive *Development Blocks*;
 - e. *Entrepreneurial* activity;
 - f. An effective *Critical Mass* of resources;
 - g. *Institutional Infrastructure*;
 - h. A leading role of *Local Government*;
 - i. The *Production and Distribution of Knowledge*; and
 - j. The quality of *Social Capital*.

HOW ARE FINDINGS USED?

Findings are shared with stakeholders through a series of consultations and community meetings. The findings enable stakeholders to:

- Identify who needs to be engaged in strategic planning processes;
- Assess what constraints on development options may exist as a result of the history of tourism development and the structure of the industry;
- Take measures to improve collaboration and competition to enhance the value of tourism;
- Identify gaps in knowledge about visitors; industry; community; and external stakeholders, and work to fill these gaps;
- Implement systems to monitor the economic, social, cultural, and environmental value of tourism over time.

Prosper findings are a critical input to successful strategic planning for tourism.

WHO CAN PARTICIPATE?

Prosper studies have been successfully implemented in a range of communities varying in: population (from 600 to 60 000); location (densely populated to isolated and remote); industrial base (long term tourism destinations to destinations adjusting from agricultural, manufacturing, or mining bases); and the extent and type of tourism amenities. Prosper studies provide a holistic view of tourism and its value, but within this can focus on specific types of tourism (backpacker, self-drive, and cultural tourism have been features of case studies), and specific sectors of tourism industries (case studies have centred on tour operators and eco-tourism businesses). Communities are asked to contribute to the cost of conducting a Prosper case study, but may receive assistance in meeting these costs through collaboration with local government and other funding agencies.

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A PROSPER CASE STUDY – WOODBURN, NSW.

WHY DO THE RESEARCH?

Woodburn is a small town of less than 1000 people located on the Pacific Highway on the New South Wales far north coast. It is approximately 300 kilometres south of Brisbane. The nearest large towns are Ballina (30km to the north), Lismore, and Casino (both some 40km west). Woodburn is of interest in a tourism sense because its location on the highway and the Richmond River has made it a popular rest area for travelers. It is also at the intersection of roads which may divert travelers to the beach side resort of Evans Head, or to the hinterland villages, towns, and rainforests of the area. The local government is interested in exploiting Woodburn's location to disperse tourists throughout the area. The tourism context for Woodburn is repeated in many small towns located on Australia's major road routes.

At the time the Prosper research was undertaken, alternative strategies for the development of tourism in Woodburn were being considered. Key stakeholders looked upon Prosper as a mechanism for assisting in vetting alternatives, but, more importantly, in identifying how the resources of the business and resident community could best be harnessed to enhance the long term value of whichever tourism development path was selected.

WHAT WAS DONE?

With Woodburn being a small and very open economic system, there was little to be gained from implementing complex economic value assessment models such as input-output analysis or multiplier analysis. There were few datasets which could shed light on the current and past value of tourism for Woodburn, or even for the Richmond Valley Shire as a whole. With these constraints in mind, the following approach was employed:

1. The contribution of tourism to business income was assessed through:
 - a. An audit of tourism related businesses assisted by data from the local telephone directory.
2. The contribution of tourism to employment was assessed through:
 - a. A survey of businesses;
 - b. Analysis of employment statistics from the 2001 Census of Population and Housing, and the Tourism Task Force *Tourism Employment Atlas*.
3. The contribution of tourism to the social well-being of the community was assessed through:
 - a. Interviews with representatives of community groups;
 - b. Review of documents from organisations involved in Woodburn.
4. The contribution of tourism to the environment immediately adjacent to Woodburn was assessed through:
 - a. Review of documents associated with development planning processes, roadworks, and riverside development.

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A business perceptions survey based on Porter's Competitive Forces Model was conducted with all businesses in Woodburn. A timeline of tourism related activity from the 1950s to the present was constructed. The timeline included a network analysis to identify the organisations and institutions with an interest in tourism in Woodburn.

Evidence from these data collections, as well as data collected through interviews with stakeholders and a workshop held as a community meeting, was analysed to produce the diagnostic assessment against Prosper's capacity for innovation indicators. The research process occurred over a period of six months.

WHAT WERE THE RESULTS?

Economic Contribution: In 2003, there were 12 businesses in Woodburn with an interest in tourism. These businesses perceived tourism as contributing about 70% of their income. Tourism was also perceived as the key driver for future business development in Woodburn. More than one quarter of Woodburn's employed population at the 2001 Census worked in retail trade, accommodation, cafes and restaurants. Businesses estimated that tourism contributed to the sustainability of more than 30 full-time jobs, which was a substantial proportion (about 25%) of the labour force.

Socio-Cultural Contribution: Woodburn is a small community with a strong sense of community values relating to: serenity/scenery; proximity to the coast; volunteerism; community spirit; and opportunities for education and sport. Tourism was seen as contributing substantial value to the work of community groups and sustainability of sporting organisations. Tourism was seen as a threat to the low cost of living and an intrusion on some valued community amenities such as the river and the beach at nearby Evans Head.

Environmental Contribution: Managing traffic flows along the highway has been the key environmental issue relating to tourism development in Woodburn. The spin-offs from these management issues have included substantial development of riverside recreation areas, and increased pressure on the nearby Bundjalung and Broadwater National Parks resulting from increased traffic. Tourism may also contribute to waste and water management issues.

Competitive Forces Model: There are few barriers to new businesses being established in Woodburn due to a high diversity of business types, and low inter-firm rivalry. However, profitability has been influenced by high operating costs as most businesses operate under lease arrangements, and need to maintain long operating hours to access the tourism market.

Tourism Timeline: There have been three identifiable bursts of tourism related innovation in Woodburn. In the 1950s, the major sporting and community facilities were developed. In the late 1970s and early 1980s, the business base was diversified through establishment of a small number of arts and crafts businesses. In the late 1990s and early 2000s, a large proportion of tourism related businesses changed hands and the industrial base was diversified further through new business models for these businesses and the opening of a nursery and a fashion store. Events such as road upgrades, floods, the

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building of bridges to Casino and Lismore, and the evolution of the riverside park areas also featured prominently in the tourism timeline.

Innovation Indicators: The research revealed strong performance against indicators of: networks; the role of local government; and entrepreneurship. However, economic competence was influenced by poor engagement of external organisations (such as absentee owners of business premises and the State Roads and Traffic Authority). Woodburn has struggled to present a consistent identity and image to tourism markets, and this may be a result of poor performance against indicators of: production and distribution of knowledge; development blocks; clustering; and critical mass.

HOW CAN THE RESULTS BE USED?

Prosper provided insights that the community of Woodburn can incorporate into strategic planning for tourism development. It highlighted areas of strength and areas of concern that the community may build upon, and which play an important role in community based approaches to tourism development. To assist the Woodburn community gain benefit from the study, a full report offered suggestions for a more fertile environment for innovation. For example, the study indicated that Woodburn may consider:

- Developing a community-driven research agenda to enable the acquisition, distribution and implementation of tourism data specific to the conditions and needs of the community;
- Taking steps to better understand and interpret community and regional tourism resources to provide visitors with a complete experience of the Woodburn identity;
- More comprehensively documenting and sharing the positions of stakeholders in relation to resource appropriation (for example, the conflicts surrounding the use of the highway as a means of accessing tourist markets versus the desire to optimise traffic flow); and
- Evaluating the potential of increased risk taking behaviour, particularly in retail activity, with a view to increasing competitiveness.

Woodburn and the Richmond Valley Shire have used the results of the Prosper research to help plan a new Visitor Information Centre, and to continue negotiations with the State Roads and Traffic Authority about management of the Pacific Highway. Businesses have also been encouraged to participate more actively in strategic planning and collaborative marketing. Businesses and community groups have increased recognition of the value of tourism, and the role that community amenities may play in enhancing this value.

ACKNOWLEDGEMENTS

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