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Randy Cantrell
University of Nebraska - Lincoln, rcantrell1@unl.edu

Cheryl Burkhart-Kriesel
University of Nebraska - Lincoln, cburkhartkriesel1@unl.edu

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Business in Nebraska

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Tourists and Travelers Generate Dollars – And More

Results from a Survey of Visitors to Western Nebraska

By Dr. Randy Cantrell, University of Nebraska Rural Initiative
Dr. Cheryl Burkhart-Kriesel, University of Nebraska Extension

Tourism Survey Results

According to statistics compiled by the Nebraska Division of Travel and Tourism (NDOTT), travelers spent over $3-billion in Nebraska in 2006, and that income supported over 42,000 Nebraska jobs and numerous new Nebraska businesses. In addition to these economic impacts, the potential benefits of tourism as a development strategy include contributions to the tax base, development of community facilities, increased pride in communities and cultures, expanded civic involvement, conservation of shared resources and infrastructure improvements.

Nebraska has the potential to expand its tourist economy. Pine and Gilmore (1999) have written of the emergence of an important "experience economy" in which consumers are seeking out unique experiences, not just consuming products and services. Tourism in Nebraska caters to the experience seeker with outdoor recreation, historical attractions and events and festivals that portray the culture of communities and regions. Nebraska is well-suited to compete in this growing segment of the tourism industry.

In an attempt to better understand travel and tourism from the consumer's perspective, this report will examine data from a variety of sources, including two studies conducted in Western Nebraska.

Tourists Really do Visit Nebraska

Table 1 - Primary Residence of Western Nebraska Visitors – 2006 and 2007

Nebraska	40%
(Omaha or Lincoln)	(8%)
Colorado	19%
Illinois	4%
Iowa	4%
Texas	4%
South Dakota	3%
Wyoming	3%
New York	3%
International	1%
24 Other States	19%

n = 204

NDOTT estimates that Nebraskans and visitors combined made 19.4 million trips that took them at least 100-miles from home in 2006. A survey of 204 visitor parties (representing 1,075 visitors) to Western Nebraska conducted that same year found that 60% of those responding were from outside of Nebraska (Western Nebraska Tourism Coalition, 2007). Those respondents came from 32 states and two foreign countries. Of those visitors who resided in Nebraska, only one in five indicated that they lived in Omaha or Lincoln.

In the Western Nebraska study, 77% of those responding indicated that Nebraska was in fact their primary destination. Overnight visits were planned by 90% of those responding, with the average length of visit being 4.2 days. For those spending the night (or nights), 39% planned to spend at least one night in a motel or hotel, 23% in an RV, 19% in a cabin or resort, 17% in a tent and 14% in the home of a friend or relative.

The most frequently cited "primary" reason for visiting Western Nebraska was outdoor recreation (24%), attending a festival or event (22%), touring (21%), general leisure (13%) and visiting friends or relatives (9%).

Table 2 - Primary Reason for Visiting Western Nebraska

Outdoor Recreation	24%
Festival or Event	22%
Touring	21%
General Leisure	13%
Visiting Friends/Relatives	9%
Personal	5%
Education/Learning	3%
Sporting Event	2%
Business	1%

Valid responses = 196

In 2007, NDOTT listed 13,897 Nebraska attractions on their Web site, with 1,832 of those being located in the Panhandle portion of Western Nebraska. In 2006, visitors surveyed were offered a much smaller list of only 43 attractions and asked to identify those where they had spent any time. The 150 respondents who answered those questions indicated that all of the listed attractions had been visited by at least one party, for a total of 410 total attraction visits or an average of 2.7 attraction visits per party. Large outdoor attractions such as Lake McConaughy, state parks and state recreation areas accounted for about half of all reported visits to attractions. However, even small county historical museums and roadside attractions did receive visitors, and none of the 43 attractions listed was missed altogether.

The length of visits to specific sites ranged from less than an hour at smaller attractions such as county museums to several days at larger attractions such as state parks. The most common time for respondents to have made the decision to visit a specific Western Nebraska attraction was after they had arrived in Western Nebraska.

Respondents who indicated that they had made a visit to a specific Western Nebraska attraction also indicated that they made the decision to do so after arriving in Western Nebraska 47% of the time, before beginning their trip 45% of the time, and while in route to Western Nebraska 8% of the time.

Table 3 - Activities that Affect the Western Nebraska Experience

Activity	Percent Indicating Important/Very Important
Sight Seeing	67%
Camping	54%
Dining Out	48%
Hiking/Walking	48%
Water Sports	44%
Fairs/Events/Festivals	38%
Fishing	37%
Shopping	27%
Horseback Riding	15%
Mountain Biking	10%
Hunting	9%

n=204 Visitors

Tourists Represent Significant Spending

NDOTT estimates that among all Nebraska visitors- the average nonresident traveling party of 2.4 persons spends an average of $420 (including lodging) while in Nebraska for an average of 2.2 nights. The Western Nebraska study found an average party size of 2.9 persons, with estimated expenditures of $387 per party *excluding* lodging over 3.2 nights.

Spending estimates by all visitors to Western Nebraska included $70 at bars and restaurants, $71 for transportation (including fuel), $67 for shopping, $44 for groceries and $60 for recreation fees, equipment and attractions. On a per-visitor basis, overnight guests estimated their expenditures to be roughly 20% greater than those of single day visitors.

The money spent by tourists and other travelers is significant, and benefits more than the hospitality industry. NDOTT estimates that each tourist dollar spent in Nebraska produces an additional $1.70 in business income, resulting in an overall economic impact of $2.70. For the Western Nebraska study, this would translate into nearly $287,000 in total economic impact from the 204 travel parties surveyed. Those 204 parties represent only a small portion of all such visitors.

Visitors to Nebraska are Generally Satisfied with Their Experience

Visitors to Western Nebraska were generally pleased with what they found during their visit. When asked to rate various attributes, 80% indicated that they found local hospitality to be above average or excellent. Similar levels of satisfaction were found for family attractions (76%), the condition of attractions (75%), the overall quality of recreation (70%), prices (69%) and services and facilities (67%).

Table 4 - Perceptions of Repeat Visitors

Experience	Percent Indicating Improvement
Overall Visitor Experience	56%
Lodging Quality	56%
Hospitality/Service	51%
Recreational Opportunities	49%
Overall Conditions	44%
Attraction Opportunities	43%
Shopping Opportunities	39%
Restaurant Selection	39%
General Attractiveness	38%
Natural Environment	27%

n=157 return visitors

The high ratings that visitors give to Western Nebraska explain why 77% of those surveyed were repeat visitors, and why 91% indicated that it was likely or certain that they would return. Of those who indicated that they would return, 32% felt that they would do so within the year, and 85% within two years. Especially encouraging was the fact that 56% of repeat visitors felt that the overall visitor experience in Western Nebraska has improved in the time that they have been familiar with the area.

Learning about Western Nebraska

Respondents to the Western Nebraska Survey were asked what information resources helped them to become aware of Western Nebraska.

The most frequently identified method of learning about Western Nebraska was a previous visit or visits. Respondents indicated that such an experience was important or very important in creating awareness of the community 68% of the time.

Information or recommendations received from friends or relatives were reported as being important or very important in creating awareness of Western Nebraska 58% of the time.

Table 5 - Factors in Creating Awareness of Western Nebraska

Factor	Percent Indicating Important/Very Important
Previous Visits	68.0
Friends/Relatives	58.3
State Tourism Organization	55.8
Internet	53.3
Area Chamber	50.3
Articles/Stories	48.1
Newspaper Ads	31.4
Radio/TV Ads	15.3
Sports Show	12.3

Valid responses = 128 to 163 Visitors

This suggests that the best time to inform visitors about the attractions that are available to visitors in a specific region is while they are there. However, the organizations that represent the industry are also effective in reaching at least half of potential visitors, and the Internet is an important resource.

The Experience Economy Requires Community Involvement

Travelers seeking authenticity and unique experiences can be enticed to stay longer, and spend more, if they can be made aware of the full array of attractions and activities that can be found off of the main tourist routes. Unfortunately, front line service workers often fail to create that awareness.

Red Carpet Service, a tourism hospitality program for front-line employees, was created by the University of Nebraska Rural Initiative as a way to provide guest services training for rural community businesses. As part of the Red Carpet Service program, mystery shopper interviews were done with a sample of local front-line business employees. Since the program was created, over 150 mystery shopper interviews have been conducted in Nebraska, from Scottsbluff to Nebraska City.

During the interviews people are asked questions such as "What is there to see and do in the area? Could you tell me where to go for more information about the area? What would you suggest I do while I am in town?" University faculty members have found that it is commonplace for people to share the obvious attractions and then forget some of the most unique aspects of the area. The problem is that it is those unique Nebraska attractions and events that often encourage people to stay a day or two longer. And it is those extended stays that translate into increased revenue for the community.

It is natural for residents, regardless of location, to become oblivious to their local attractions and "hidden treasures". In the experience economy, communities can't afford to overlook assets that can translate into premier traveler memories.

Visitors May Bring More than Money

Nebraskans seem to have divergent views regarding the economic impact of travel and tourism. Some are skeptical; believing that the hospitality industry supports only low wage and part-time or seasonal jobs and that significant travel related income is generated only in the metropolitan centers and along the I-80 corridor by travelers who are merely passing through either on business or on their way to more interesting destinations in other parts of the country.

Others see tourism as a viable economic development and diversification strategy in areas where development options are often scarce. Tourism supporters also remind us that Nebraska (and especially non-Metropolitan Nebraska) is among the nation's leaders in multiple job holding and that, for better or worse, those part-time and seasonal jobs make an important contribution to household income in those places where they are available.

Data can be found to support both viewpoints. But critics notwithstanding, most Nebraska counties

are indeed home to at least one group that is actively promoting tourism for economic development purposes.

Even among tourism advocates, those who look at the hospitality industry only from the perspective of jobs and wages may be missing other, more subtle reasons to consider the importance of such enterprises in their communities.

Tourists and other visitors gain an awareness of the quality of life in the places that they visit that they would not otherwise have. That awareness can lead to a variety of investments, and can even attract new residents.

A recent University of Nebraska survey of 321 households that had moved to Western Nebraska between 2002 and 2007 found that 36% of those households had gained awareness of their new locations while vacationing or visiting friends in the area, and another 16% had learned of the area through business related travel.

Perhaps more importantly, among those newcomers who had purchased or established businesses in Western Nebraska, 15% became aware of the location where they now reside through vacation related travel. Another 17% gained such awareness through business related travel, and 30% had learned about the area while visiting friends.

Data from this study indicate that the presence of a job alone is not always a sufficient reason for people to relocate. Indeed, in an era of labor force shortages, people often have an array of choices regarding where they will live. Quality of life considerations such as recreational opportunities, environmental quality and community values weigh heavily in such decisions. For many people their first exposure to what an area offers in this regard come from visits made for entirely other purposes.

Certainly, nobody invests in a place if they don't know it is there. Awareness can be created by capitalizing upon the changes happening in the travel industry. It is not only about the attractions and events that we have in our communities. It is about authenticity and the image that we convey and services that we extend to guests. It is about taking advantage of the opportunity to make their time in our communities memorable. Ultimately, it is about the experience.

Tourism encourages communities to examine themselves in a new light; from a visitor's perspective. In that light, the visitor's experience has a cash value and the community comes to be seen as a product. Products can be improved and marketed. From routine interactions between residents and visitors, to community Web pages, the experience of a western Nebraska tourist is a product which can be an important economic generator.

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