

Eastern Maine Regional Planning
Broadband/Digital Literacy Expansion

25 February 2016

Thoughts on:

**Reliable Cellphone Service and High
Speed Internet as Tools for Downeast
Tourism Development**

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Tourism's Lead Sector Potential

- What's a "lead sector"?
- Why focus on tourism in rural Maine?
- Who are the key customers ('market segments')?
- Why a quality-centered strategy?
 - Creating and branding appealing tourism destinations
 - Creating and marketing quality tourism products
- Good News
 - MOT gets it!
 - Tourism's post-recession rebound

Tourism as Lead Sector: Not a Consensus

Gov Paul LePage (16 Feb 2016)

*Some people believe you can build a great economy with tourism, and I believe that tourism is a great secondary economy – it helps people appreciate their state. **Unfortunately**, in our state most of the people who appreciate our state are out-of-staters who come to visit Maine.*

The catch:

- Tourism, like paper & yachts, is an export sector
- “Out-of-staters” spend big & support quality jobs

What's a Lead Sector? Why Tourism?

(Additional candidates: health care, food, renewable energy)

- **A unique export sector** (the customers come to us)
- **Critical mass: already a major employer**
 - 9% of rim county employment (15% with multipliers)
 - Challenge: job quality
- **Significant growth potential**
 - Untapped supply capacity
 - Growing demand (if we can supply what tourists' demand)
- **Major roles in community vitality**
 - Sustaining downtowns and commerce
 - Sustaining tax and population base for public services

Where the Overnight Visitor Market is Headed

- **MOT's segmentation analysis: *Balanced Achievers***
 - *Young(ish), well-educated, affluent*
 - *Adventurous, self-reliant, introspective*
 - *Seeking authenticity, unspoiled simplicity, nature & outdoors (“soft” adventure), cultural heritage*
- ***Downeast & Acadia profile - 2014*** (source: DPA)
 - *Youngish: 34% are <35 years (Maine: 29%)*
 - *Well educated: 76% have college degree or higher (~ Maine)*
 - *Affluent: mean household income \$107k (~ Maine)*
 - *More first-timers: 24% (Maine: 19%)*
 - *More from mid-Atlantic states: 44% (Maine: 33%)*

Intuition: what this means for cell and broadband

Elements of a Quality-Centered Strategy

(Maine Woods Consortium leads and Office of Tourism gets on-board)

- **Maine Woods Tourism Training Initiative**
 - Both frontline employees and business operators
 - Premise: quality tourism jobs require quality 'products' require skilled and motivated employees
- **Maine Woods Discovery**
 - Standards-based cooperative marketing initiative
 - Prototype for certified, top quality visitor experiences
- **Regional Destination Development**
 - MOT's new staffing & initiative

Reliable Cellphone and High Speed Internet: Crucial Destination Development Tools

- From the customer's side & the provider's side
 - Evidence from around the world (Australia, Sweden, Switzerland)
 - Evidence from a MECEP survey of rural Maine stakeholders
- Beyond 3 Ring Binder: Rural Maine's "last mile" challenge – a widening "digital divide"?
- Digital literacy of tourism businesses -- a pre-condition
 - The Axiom example

Current Internet Access Downeast

(A sampling from Maine Rural Partners' *Internet Speed Survey*)

<u>Town</u>	<u>Download Speed</u>	<u>Upload Speed</u>	<u>Provider</u>
S. W. Harbor	18	1	Time Warner
Brooklin	3	1	Fairpoint
Brooksville	56	11	FP
Machias	7	1	FP
Trescott	39	28	FP
Edmunds	1	~0	Hughes/Net
Lubec	4	1	H/N
	63	6	TW
	7	1	FP
	11	5	US Cellular

Upgrades on the way!(?)

Broadband's Benefits Beyond Tourism: Keys to Sustainable Rural Vitality

- **A basic 21st century business tool**
 - Attracting mobile entrepreneurs
 - Working remotely
- **Attracting second home owners, highly educated young people, affluent younger retirees**
- **Emergency services, tele-health (aging in place), “Connect Ed” etc.**