Community initiatives for rural tourism development

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INTRODUCTION

Rural tourism is an important dimension of the New Zealand tourism industry. But there is little information about it, despite the large number of rural tourism operators and the potential for rural tourism to meet the needs of development within the tourism industry and rural communities. The Foundation for Research, Science and Technology has funded CRESA and Taylor Baines and Associates to carry out research on rural tourism over 1996-8.

There have been three major parts to the programme:

A profile of rural tourism showing its geographical distribution. The data base has a total of 3,600 entries. There is a wide variety of activities.

A national survey of 1000 rural tourism operators provided detailed information on the nature of these operations.

A series of eight community case studies.

Community case studies

The community case studies enabled us to examine:

the social and economic effects of rural tourism development,

the opportunities and constraints for rural communities that wish to develop rural tourism,

ways to assist rural communities in strategic tourism planning and management.

Four of the case studies were in the North and four the South Island. They covered a range of rural localities, small towns and local promotion groups. Some are well established tourism areas, others have only recently started to develop coordinated tourism products and local strategies. Two are predominately Maori communities. The case studies and their main characteristics are in Table 1.

Table 1   Case study areas main tourism resources

Case study area	Main tourism resources
Rangitikei	Established accommodation, with a number of farm stays, gardens and garden tours. Adventure and other activities are also important, particularly rafting, boating, and fishing products, and horse trekking, nature tours, scenic flights, mountain biking and golfing.
East Cape	Tourism activity is relatively sparse outside Gisborne, and concentrated around Tolaga Bay and Mahia Peninsula. The main resources are the strong Maori culture and traditions of the area, with numerous marae, and the scenic coastal route around the East Cape. Firstlight Tourism is a major regional initiative based on Y2K celebrations.
Wairarapa	The Wairarapa has a strong accommodation sector, dominated by home stays, farm stays and self contained cottages. There are at least 19 wine makers and vineyards, plus cafes and crafts. Proximity to the Wellington market is a key feature, with emphasis on "country escapes" in a "sophisticated" country environment.
Wairarapa - Maori tourism	There are nine registered marae in the Wairarapa. There are strong natural, historical and cultural resources, with potential to link into the wider visitor infrastructure. One marae has facilities suitable for international visitors and there are a number of potential joint ventures with Maori interests.
Western Golden Bay	Small scale accommodation and camping grounds are supported by cafes and art and craft outlets. Beaches, rivers and estuaries, Farewell Spit, Kahurangi National Park and the Heaphy Track provide a wide natural resource base.
Wairau Valley	There is a small amount of farm stay accommodation and activities including horse trekking, herb and craft outlets and a pub. Attractions include rural scenery with mountain backdrops, the river and fishing and a golf course. The area is close to the attractions and tourist infrastructure of Marlborough.
Mt Somers-Ashburton Foothills	Mt Hutt and the tourist centre of Methven provide the main tourism resource. Christchurch and the international airport are close and provide international visitors, conventions and other events. Resources include alpine, lake, river and farm scenery and activities.
Maniototo	Low cost accommodation and holiday homes, with some supporting businesses. Open scenery with mountain backdrops supports and activities including fishing, winter sports such as curling, and heritage products, trails and events.

The case studies reinforced information on visitors from our national survey. These
businesses rely strongly on domestic tourism, and especially summer holiday makers. This
trade provides them with the opportunity to develop an operational base, assets and skills
from which they can move into the international visitor trade.

<u>Why a community approach?</u>

Rural tourism is a distinctive product. There is an emerging organisational base for rural tourism operators and groups through the NZTIA. As a "new" product, rural tourism differs from dominant tourism products, especially mass tourism. These include the generally small scale of operations, the rurality of their base, ownership mainly by rural people, a personal approach and environmental sensitivity. The product reflects an emphasis on "yield" and quality. There is also an emphasis on meeting community social, cultural and economic goals as well as individual aspirations.

To undertake the development of this new product, new organisational forms and approaches are required:

> Ways to focus and encourage entrepreneurial effort at the local level emphasising quality and innovation. Operators do not want to be constantly "reinventing the wheel". Successive failures can blunt initiative.

> Coordination of small and part-time businesses to provide an integrated product from an area - one that has sufficient size to be viable within regional and national promotion strategies.

> Pooling of skills and resources in marketing and promotion effort.

> "Visioning" strategies to assess resources, strengths and weaknesses and develop goals and plans for the future.

Common issues for communities

<u>Community vitality</u>

Like many rural areas in New Zealand, the case study communities have been experienced considerable social change, especially since the mid 1980s. The small localities are struggling to maintain their social cohesion and identity. A related research project (TBA601) shows:

> There has been substantial social and economic change in rural communities over the last 20 years. Populations generally have fallen.

> A major feature of natural resource sectors such as agriculture, forestry and mining have been changes in technology and the organisation of work, with greatly increased labour productivity. Industry restructuring has led to loss of jobs, coinciding with restructuring in social services and other sectors. Many communities have experienced multiple effects of economic restructuring.

> There has been a centralising of services, retailing and administration into regional centres.

Low cost housing has attracted newcomers, often characterised by low social-economic status, and higher proportions of Maori people.

Rural communities are more diverse socially and culturally. Networks are wider. They have lost many of the key people who ran community organisations.

Economic diversification and development are a challenge for rural communities. Attitudes to tourism as an alternative economic activity are generally positive. There is considerable entrepreneurial skill, and asset bases with the potential to be activated in support of a rural tourism product.

Business development and planning

The case studies confirm the national survey results in relation to rural tourism businesses. They rely strongly on domestic tourism, and especially summer holiday makers. Domestic trade provides them with the opportunity to develop into the international visitor trade. For example, a camping ground or local hotel might upgrade its facilities and attempt to attract a greater proportion of international visitors. The capacity to develop and expand is supported by their small, often part-time nature, and an ability to draw on established assets such as a home or farm. Few employ permanent labour beyond the principal operators. There is, however, a good supply of casual labour available in rural areas, and this pool can be drawn on to support expansion.

As many operators are part time and new to tourism, there are a lack of skilled and knowledgeable people in the sector. Skills that need to be encouraged and developed are an improved knowledge of the tourism industry and visitors. There needs to be better business planning and financial management with skills drawn from professional advisors as well as other local businesses. Other skill areas are marketing and promotion, where a greater range of techniques are required. While many operators have excellent basic skills in dealing with the public, including the inherent friendliness of rural people, they will be tested as visitor numbers increase and visitor origins widen.

Issues for Maori tourism

Maori are concerned about the implications of commercial tourism development on tikanga. There are conflicts between tourism and traditional practices and hospitality. Examples include access to sensitive sites such as waahi tapu, deciding how much to divulge about local culture and history, and the development of products that include marae stays. Multiple land ownership sometimes requires agreement by a large number of owners, and people at the hapu and whanau levels need to be involved in decision making. In some cases te reo and tikanga knowledge need development in conjunction with a new enterprise.

Funding, skill level and business experience, inhibit the capacity of Maori to realise the commercial potential of tourism. Other factors enhance their capacity to take advantage of tourism: a tradition of hospitality, experience in hosting large groups and untapped natural

resources. Support could include training, marae and individual business plans, and business networking. A lack of organisational infrastructure means that Maori businesses find it particularly difficult to meet compliance requirements, for instance food preparation and health and safety requirements. There are few Maori in business generally, leading to a limited economic base to develop from, a lack of knowledge and experience about how to turn ideas into business reality, and few mentors for new businesses. Co-operation amongst marae could provide alternative venues and avoid duplication of products or activities as well as collective marketing.

There is potential for Maori groups to work with other non-Maori operators. For instance, to add a Maori dimension to existing activities and become part of a package, such as the development of cultural trails, interpretation of historical sites, and provision of performance, arts, and crafts. Maori own land and resources in remote areas that offer unique opportunities, as well as traditional skills and knowledge. Despite its potential to enhance employment, support cultural and conserve land and other resources, Maori rural tourism is even more marginal to mainstream tourism than rural tourism in general. Its potential is often overlooked by mainstream operators and those involved in promotion.

Promotion of rural tourism

Rural tourism is disadvantaged by its location outside main tourist destinations and promotion effort. Most rural tourism businesses carry out limited promotion in the form of brochures, registration in guide books, and advertising in local and regional media. Many local groups also have brochures or work in with a district promotion . They noted that this effort is expensive, and often ineffective. "Word of mouth" was frequently regarded as the most effective tool. Service and quality will elicit positive word of mouth reports and to that end groups such as Rangitikei Tourism work with operators to ensure that standards are agreed to and achieved. Operators also realise there are inherent time delays if word-of-mouth is going to generate visitors.

Both operators and groups talk of the need to attract people to the region first, and individual tourism products next. Some groups of similar businesses in an area have promoted themselves. Examples included groups of farm stays, garden operators, antique sellers and art and craft outlets, usually producing collective brochures. But collective marketing can cause tensions and potential divisions of the group effort. For instance, should all businesses on a brochure contribute equally to its production and distribution, or should the costs be split according to the size of each individual business? Individuals inevitably take on an unequal weight of work setting up a collective brochure, and the group has to consider the question of compensation from its limited resources. It can be difficult to muster support. So, promotion tends to be individualistic, or worse, like businesses see themselves in competition and cooperative approaches as unhelpful.

The internet is an underutilised, relatively inexpensive device for small tourism businesses and groups in rural areas. Visitors off the "beaten track" are increasingly using the internet as a source of information. The case study areas considered that they could benefit from coordinated web sites with information on individual businesses and local attractions, and links to other relevant sites.

The balance between competition and co-operation is also a tension at regional levels. Local groups look to their district and regional tourism offices for collective promotion of their area, at events such as TRENZ and AMP shows. Some operators claim that the benefits of a regional organisation do not justify the costs. Then the regional organisation can struggle with the question of whether it is more effective to work on its own or with adjacent areas. In taking the latter approach, the organisation needs to work out how to retain a regional identity while contributing to the promotion of the wider area. Examples of regional cooperation include Destination River Region, which covers the catchment areas of the Wanganui, Manawatu and Rangitikei Rivers, and Centre Stage New Zealand which incorporates Tourism Wellington, Tourism Nelson, Destination Marlborough, Tourism Wairarapa, Upper Hutt, Lower Hutt and Porirua, as well as key operators including Te Papa.

Infrastructure requirements

Rural tourism has specific requirements for accommodation, transport and activities. Wider requirements include public transport and support services. Some rural areas benefit from their location along main highways, but secondary roads need improvement and maintenance. Further requirements overlap with the local population, e.g., water supply, sewage systems, roads, toilets and some shopping facilities. Rural tourism is often a special case, because a mass tourism infrastructure has not developed, and communities are struggling to maintain infrastructure and services in general. There are low resident populations to pay rates so local councils can be ambivalent about investing in tourism infrastructure. Rural tourism needs often coincide with other recreational activities, especially with tracks and huts throughout national parks and reserves. But there is little money available for development and maintenance of park infrastructure, despite increased use by overseas and domestic visitors. There is potential for local communities and tourist groups to contribute to an investment strategy for new facilities.

The regulatory framework

The single most frustrating issue that rural tourism operators and communities face across the country seems to be signage, both dedicated business signs and destination signage. Operators experience problems dealing with Transit New Zealand and local councils, and there are claims of inconsistency between regions.

Food hygiene regulations under the Food Act (1981) also cause widespread concern. Often because people do not understand them, do not seek assistance in dealing with them, cannot afford the costs of complying, or perceive unfairness in their implementation.

Farm stays and home stays that serve wine or other alcohol to paying guests are required to have an on-licence, similar to restaurants, lodges and hotels, invoking comments about unfairness and costs.

Health and safety is another issue, especially for adventure tourism products. Operators are concerned about the lack of advice, apparent lack of safety requirements for some types of activities, and the focus on rules and regulations rather than identification of risks and best practice for their management.

Transport licensing is a problem for the accommodation sector and activity based businesses in isolated places away from public transport. Businesses picking up and transporting visitors to activities require a transport licence that allows them to operate as a cartage business, with time delays and costs.

Role of local government

Rural tourism operators often query the support their local or regional council has provided for tourism. Councils make an important contribution to district (DTO) and regional (RTO) offices. But there is still a wide view that any support is begrudging and councillors and staff lack understanding of the industry and its potential to create employment. There is inevitable pressure on budget items seen as "non-core" activities. Operators argue that their council needs to support viable business activity (including tourism) to maintain essential services and contribute to the rating base. Support can include beautification programmes, landscaping, parking, rates holidays, training and advice, and help with consent processes. Councils can provide leadership and strategic planning for tourism in rural areas.

Community attitudes

Ambivalence of councils reflects community attitudes. Some are opposed to tourism, blaming tourism for environmental and social impacts ranging from more people at local recreation "spots", to diminishing fish stocks, to more strangers on the main street. Some support tourism for its potential to generate jobs and because tourist spending directly or indirectly buoys local business activity. The most positive attitudes to change were evident in the case study areas where there has been diversification of land use, or where there are relative new comers. Farmers have become more involved in tourism with economic pressure on farms, showing entrepreneurial skill and activating an asset base in land, vehicles and buildings (Taylor and McCrostie Little, 1997).

Impacts and carrying capacity

Groups demonstrated concern about the wrong type of development, or over development. Their concern is with the loss of the very rurality that is the essence of the rural tourism experience. Maori also raise issues around carrying capacity, including tikanga, life styles, environmental quality and the impacts of visitors and commercialisation.

Carrying capacity issues are therefore at the heart of strategic planning by local community groups. They have to balance any costs against potential benefits of tourism to alleviate long-term trends of unemployment and poverty in resource dependent, rural areas. Participation through local tourism and community groups is a means of addressing issues of sustainable tourism development (Simmons and Leiper, 1993 p.217). The Resource Management Act provides opportunities to influence development decisions through the identification of project effects. This can be a time consuming and even expensive for local groups. It is an ad hoc approach, being driven on a case by case basis. Input to council policy and decisions can also be made on a wider front, through annual plans and district plans. But here the bureaucratic system of repetitive drafts and submissions can put off all but the most determined community members.

Strategies for community initiatives

The development of local groups

The case studies identified a variety of local rural tourism groups in New Zealand. They range in their size, formality of organisation, whether they have a professional or paid coordinator, and their activities. Some are very new, others have been going for many years. The cases showed that no set formula could be used to define, or start, a local tourism group. The nature of the organisation has to evolve to meet the needs and objectives of the members. If, for example, they want to raise funds to prepare a brochure or set up an information centre, then a more formal structure is obviously required. If the group is mainly for networking and support, then a less formal approach is adequate.

Local rural tourism groups have considerable potential to develop tourism strategies. These strategies will require them to move beyond immediate needs of promotion, or special projects such as organising a local event. A strategy usually requires a group to work on development of a vision, goal statements, some specific objectives (with priorities) and activities for getting there. It's a road map for their future, looking five to ten years out. The strategy is supported by analysis of the resources of an area, strengths and weaknesses, and any available data on tourism in their area. The group may need to bring in an outside facilitator to help, but local resource people are often available (e.g. at CEG, the local Polytech, REAP).

The need for local and district level data on visitors

The case studies identified a serious lack of data about visitors at a level useful for community planning, that is local and district. Local groups typically need to know visitor numbers, visitor origins, numbers of bed nights and types of accommodation, and activities that visitors engage in. One specific need identified by several cases was for information about the visitors who are travelling on particular highways.

The visitor centre survey

The method most frequently used to collect visitor information is a short, self administered, survey form available in visitor centres. Even cruder is a record of visitor numbers by observation. Short visitor surveys can be valuable but, unfortunately, there are common problems experienced with poorly designed forms, inconsistent application, and poor or untimely analysis and presentation of the data. Survey data can be supplemented by other sources, such as the International Visitor Survey, regional visitor monitoring, individual businesses records, chatting to visitors "*this is the third time I've been back to your area*", and personal observations "*there are lots more campervans on the road this year*".

The spot survey of visitors

Spot surveys provide useful information about particular promotions or local events. For example, we conducted a survey of visitors to the Mt Somers area "Minerals to Art" festival

in March 1998. Visitors were surveyed to find out means of travel to the festival, who people came with, place of origin, how many nights and where people stayed, whether they had been to Mt Somers before, what activities people took part in other than the festival, how they heard about the festival, whether they had been to other festivals, satisfaction ratings for components of the festival, whether they would come back for a holiday, and general comments. The information from the survey provided the local group with information to help evaluate the festival, and plan ahead, including any future festivals. The survey showed clearly that this initial festival attracted few people who were new to Mt Somers, so it had limited value in promoting the area. But it gave a short-term boost to local businesses and brought locals together for an enjoyable community occasion.

The need for consolidation of visitor facilities

The case studies showed the need for consolidation of visitor centres and community development resources. Visitor information centres and community resource centres in support of businesses and community development both need volunteers, although part or even full-time positions might be available. In addition to support from local councils, these centres draw variously on funds from central government agencies such as Internal Affairs, COGs and CEG and private sector sources. In some cases these efforts have been combined, in others they remain separate, even to the point of duplicating visitor information. While two centres and sets of community activity may make sense in terms of old social dynamics, they no longer do so with strictly limited resources or confusion caused to the passing visitor.

Furthermore, some towns have tourism visitor centres and Department of Conservation visitor centres almost side by side. DoC and many communities recognise that it is time to consolidate these visitor centres, especially given the conservation estate is a major part of the tourism resource. A combined centre could include conservation displays as well as information and maps, and sell permits and hut passes. But it is likely to mean a shift towards more professional organisation and better coordination., with paid staff supported by volunteers. There will also be a need to coordinate management between the local promotions group and DoC, as well as to pick the best possible site.

The need for coordination and integration

Indeed, coordination is a common theme. Coordination within a local area, between local groups in a district or region, and between adjoining regions. Local groups often struggle with the issue of cooperation or competition in establishing an agenda and organisation to implement it. Publicity and promotion of the area is usually the basis on which a group is formed. Although there is potential for local groups to work on a much broader set of issues towards tourism development. Local groups have to recognise that they require a wider base than can be provided by unstinting local work and effort. On one hand a local group does not want to loose its distinct nature, the advantages of its particular tourism product, and the potential to develop local support and enthusiasm. On the other hand there are definite advantages gained from working within a regional tourism plan and promotional strategy.

The most effective integration of rural tourism occurs at the district level. A district level tourism organisation provides the umbrella and links that local tourism and promotions groups can work under. Such groups exist for Rakaia and Mt Somers in Ashburton District, and Maniototo and Cromwell in Central Otago, for example. In other areas, these district links are weak. For example, the new Wairau Valley group has only weakly developed links to regional strategic planning and other industries such as the wine and seafood sectors. The Valley feels its on the periphery in relation to the main tourism players in the region.

Integration is also needed for the development of rural Maori tourism. This integration can be achieved between marae and hapu activities at the iwi level. It is also important at the regional level and may require specific organisations. For example, Te Ara a Mau is a group of existing and potential Maori tourism operators (including Te Papa) who have developed a strategic plan for Maori tourism in the wider central region. Thus it is an umbrella group, below which regional tourism organisations will continue to market their regions. The group will facilitate product development, collective marketing and promotion in New Zealand and overseas, sharing ideas and resources.

Integration and coordination is also needed at the central government level. Organisations such as the Community Employment Group play a key role in supporting local businesses and group initiatives, and facilitating wider networking and cooperation between community groups. A specific example of improved support strategies for rural tourism is in the training area. The majority are owner operator business, with limited casual or part-time employment. Some emphasise "lifestyle" rather than a "professional" approach to tourism. Acceptable service levels for traditional domestic holiday makers can be very different to those required for other international and domestic visitors. Therefore there is a need for training of operators and staff without losing the special, friendly character of the product. Here the Education and Training Support Agency could play a useful role in identifying the specialised training needs of rural tourism.

Conclusion

The research has identified the importance of community initiatives for rural tourism development. There are a number of issues faced by rural communities in their quest for distinctive tourism products. Ones that will provide a boost for local employment and businesses, while retaining the important character and resources that attract visitors in the first place. To overcome constraints and release opportunities, local groups can move beyond promotion to facilitate coordination and strategic initiatives.