

Overview Analysis and Outline of Engineering Challenges

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When designing a destination tourism economy, one needs to examine it from three key positions:

- **Visitor Perspective**
- **Local Perspective**
- **Structural Perspective**

From the **Visitor Perspective**, it is important to ask **“What will it take to succeed at tourism?”** What products and experiences will combine to create a destination experience that visitors will seek out, patronize, find rewarding, pay well for, and both return and send others in their footsteps? What quality level do those products and experiences need to meet in order to succeed? Does something about this destination stand out and compel visitation? Where are the edges, beyond which the destination fails to attract its intended visitors? How does this destination (its products and services) stack up against other destinations vying for the same visitors? Is marketing succeeding at creating a demand for the destination – and is that marketing targeting patrons who will go home satisfied, ready to repeat and refer?

From the **Local Perspective**, it is important to ask **“What will it take to make tourism worthwhile for those who live here?”** While individual tourism business might be very successful, a tourism economy is only successful if it creates benefits that the local population is seeking. Local goals can include the creation of jobs and entrepreneurial opportunities, the protection of valued community attributes, the enhancement of quality of life, the creation of opportunities for young people to choose careers where they grew up, and the flow of capital into the community.

From the **Structural Perspective**, it is important to ask **“Are all the pieces there to make this tourism economy function well?”** or **“What pieces are needed to make this economy function well?”** Where do visitors sleep? Are there adequate dining opportunities? Do the lodging and dining facilities meet the quality levels expected by the target visitors? Is the destination rich in visitor activities (both products and experiences) that match up well with potential target visitors? Do visitors have the opportunity to purchase mementos that reflect their experiences? Can visitors buy needed supplies and equipment to make their visits successful? Are there support businesses and services available to ensure that the primary tourism products and experiences function smoothly (plumbers, electricians, accounting services, and so on)? How much of the tourism revenue stays in the local economy? Are there mechanisms in place to capture visitor dollars and channel them back to marketing the destination? Is there a process in place to guide the evolution of the destination to ensure that it is competitive, sustainable, and beneficial to the host community?

This tourism destination planning project is working with six communities in Essex County:

1. Ticonderoga
2. Moriah
3. Schroon Lake
4. Wilmington
5. Saranac Lake
6. Lake Placid

In the first five communities, the challenges surround growing an existing tourism economy, evolving an existing tourism economy to function differently, or building a new tourism economy. In Lake Placid, the challenges are related to growing the revenues of a very successful tourism economy while managing both quality of life and quality of visitor experience issues.

There are some basic issues common to all six target communities.

First, there is a very well designed occupancy tax that applies to all of Essex County. That tax is “programmed” to be used for marketing and is successfully channeled to the Lake Placid/Essex County Visitors Bureau. The bureau has a professional staff and a good track record of using those funds to leverage future tourism. It should be noted that currently the overwhelming majority of the occupancy tax is generated in North Elba. However, as lodging expands in other parts of the county those areas will contribute more to the tax and hence the marketing effort.

All six communities share a relationship with the Adirondack Park. With Adirondack-related experiences as key offerings by all six communities, the park provides much of the physical platform for the delivery of visitor experiences. That platform includes lakes, rivers, ponds, mountains, forest, trails, boat launches, scenic driving routes, and more. Further, park policies do much to protect the quality of outdoor visitor products and experiences both now and into the future. There is no similarly sized tract of protected park land east of the Mississippi that visitors can access in the way they can in the Adirondack Park. Some have observed that Park policies make it difficult to develop lands (especially outside hamlet boundaries), but those constraints are more than offset by the great visitor experiences (and local recreation) available on Park lands.

There are some other issues that are common to the first five communities (Ticonderoga, Moriah, Schroon Lake, Wilmington, and Saranac Lake).

From the ***Visitor Experience Perspective***, each of these communities has the opportunity to create a set of unique and competitive products and experiences. Each has a wonderful relationship with water (lakes, rivers, and ponds) which is an important part of an Adirondack experience and important when people choose destinations. All of the communities put visitors in a great place to canoe, kayak, raft, power boat, and fish (rivers, lakes, and ice).

Each community is in a great position to host visitors who are seeking an experience related to Adirondack forests and trails. Visitors waking in these communities are also poised to ascend Adirondack peaks or climb rock faces.

Each of these communities has a unique relationship with history. In each case, that history creates an opportunity related to tourism. Ticonderoga has an existing flow of visitors related to history and a huge opportunity to build a solid flow of history-related patrons. Moriah has opportunities related to mining history. Schroon Lake has an iconic tourism history which may well provide a template for its future tourism. Wilmington is home to what may be the nation's first "theme park". And Saranac Lake has its own historic relationship with wellness.

While each of these communities is rich in experiences for visitors, most of the visitor experiences don't involve the exchange of money – hence they are not tourism products and don't in and of themselves contribute to the tourism economy. There is ample opportunity in all five communities to develop products based on the great outdoor experiences of the Adirondacks. Most also have significant product development opportunities related to history and culture.

Each of the five communities has the potential for developing a key iconic identity that can be used to attract key target markets. Ticonderoga is already "branded" as a history designation, although way too many visitors recognize the historic importance of the fort without noticing an equally important role of the town. Saranac Lake is certainly associated with outdoor recreation. Wilmington is known for Santa's Workshop. And Schroon Lake was once known as a great Adirondack lakeside retreat. The development of key products and the refining of experiences will need to be coupled with branding and targeted marketing to create iconic identities that will drive travel.

All five of these communities are challenged by the lack of adequate lodging and dining products. Many of the existing lodging facilities are outdated or in poor repair. Most of the facilities are matched to visitors in the mid to lower economic ranges. Ticonderoga has a new Best Western and Saranac Lake has a relatively new Best Western and the development at Ampersand Bay – giving those two destinations a start at meeting the lodging challenge. While there are some notable exceptions, most of the dining offerings sit below the quality expectations of travelers. Few of the dining opportunities are associated with view or experience. And, there is a lack of both capacity and variety in the offerings.

There are similar issues related to retail. While Schroon Lake has a focused zone for retail downtown, tourism-related retail in the other four communities is scattered about and sometimes not readily apparent to new visitors. Further, visitors seeking authentic regional handicrafts are often offered knockoffs from overseas. This both diminishes the visitor experience and contributes to economic leakage from the regional economy.

There is a strong potential in the Adirondacks to attract and serve visitors throughout much of the year. Each of these communities has unique experiences that could contribute to the development of the sense of a year-round destination – and that development would build lasting relationships and impressions on the region’s visitors.

In summary, there are many opportunities and challenges related to successfully growing the tourism economies of the five target communities as viewed from the **Visitor Experience**. Egret feels that the opportunities far outweigh the challenges – but that each community will need to have a solid plan of action and motivated locals to push the implementation forward.

The **Local Perspective** from the five communities shows a rather homogenous set of goals for tourism output. All of the communities would benefit from the creation of meaningful jobs and business opportunities. The presence of a vibrant tourism economy in each of the towns would support retail and dining businesses that local people would like to have thriving instead of struggling. A vibrant tourism economy that spawns jobs and business opportunities would present new choices for young people, enabling more of them to consider a career in the community they were raised in.

There is a real sense that all five communities really value what they are and are aware that poorly managed tourism has the potential to take that away. None of the communities want to be swallowed by unbridled tourism development, or to lose the sense of who they are.

Each of the communities is fully aware that tourism brings second home development that drives up the cost and value of housing. There is a legitimate concern that tourism be managed in a way that doesn't displace locals from the community, just because others with more resources can outbid locals for housing.

It is important then to carefully manage the "ramp up" of tourism so that it does not overwhelm local residents. It is also important to have a good local representation in entrepreneurial activity so that most decisions about tourism development and management are made by people living in the communities.

From a ***Structural Perspective*** there are a number of moves that need to be made to yield fully functioning tourism economies. The good news is that the majority of those moves involve the development of profitable businesses.

Each of these communities needs additional lodging that is current, attractively designed, oriented to experiences (views of lakes, ponds, rivers, forests, mountains, or historical sites), aimed at an upper mid level market, and designed to convey an Adirondack look and feel. These don't have to be huge enterprises – in fact it would be better to have plural lodging facilities in the 20 to 60 room range than lodges that would dominate a community.

Each of these communities needs additional dining that is oriented to views and/or located near to visitor retail zones. A tourism economy should present visitors with choices along with quality and décor that is not a step down from what they have at home. And some of this dining should be accomplished in an environment that is full of energy and fun!

Many of the tourism experiences in Essex County are free to visitors (trails, use of boat launches and waterways, climbing, scenic drives, self-guided walks, museums). While a tourism economy can function when the majority of the experiences are free there are certainly lost opportunities to capture visitor dollars. Each of the local working groups has expressed interest in guided tourism which would enrich visitor experiences, manage visitor safety and impacts, create jobs and businesses, and raise visitor spending. If Saranac Lake continues toward to "learn to" vacations, those same outdoor recreation activities become products. Similarly, Ticonderoga's proposal for a reconstructed and operational historic sawmill makes tourism interactive and creates an opportunity for visitor spending.

All of the communities need to improve on retail. In some, visitor-related retail is hard to find and mixed among retail offerings that are designed to serve local audiences. In others, retail is there, but often lacking in meaningful items to take home. The Adirondacks are famous for the works of artists and artisans. Maple syrup is crafted in the region. Foreign knockoffs of regional artisans work degrade the value of the artisan's legitimate products and the value of the destination in the minds of the visitors – and it sends money out of the region. While some of the current visitors may not complain (some actually buy them) they will be out of place as the region moves toward a better paying clientele.

Fortunately there is a mechanism in place to capture visitor revenues and channel them back to a very effective marketing program. And, this process will yield mechanisms to manage the future evolution of each local tourism economy.

Lake Placid has its own set of challenges as it has a vibrant nearly year-round tourism economy that, in many ways, has grown to a point where it generates some negative impacts on both local quality of life and visitor experiences. As Lake Placid seeks to grow profits while managing (or reducing) negative impacts to community residents and visitors, it will need to make some moves to evolve its product.

From a ***Visitor Perspective***, Lake Placid has an exciting mix of events, Adirondack experiences, and experiences related to competitive events including the Olympic venues, the Ironman, and the Horse Shows. It has a number of products that deliver exciting experiences covering a broad spectrum of interests, making it a well-rounded destination.

From Lake Placid one can experience the Adirondacks from every level – windshield tourism to serious rock climbing and backcountry camping. There are Adirondack experiences that are suited for families, others for those seeking the solitude of wilderness, and still more that enable people to challenge themselves to scale rock walls and ski world class terrain. From Lake Placid, there are countless ways and places to access world class lakes and streams to fish, paddle, and powerboat.

Some of Placid's Olympic venues are showing wear and are lacking upkeep, prominent figure skaters are choosing more "convenient" practice sites, and there is a discernable lack of knowledge among potential travelers related to ways they can interface and interact with the facilities. It is a fair observation that the Olympic Venues sit empty more often than they are bustling with visitors. This is one aspect of Lake Placid's visitor economy that has played a significant role in building and creating patronage of the Lake Placid destination. But, younger adult visitors may identify Lake Placid more with the Adirondacks and non-Olympic events like the Horse Shows and Ironman.

With its mix of experiences (Adirondack and competitive) and the healthy hosting of events, Lake Placid is nearly a year round destination. That enables businesses to plan for and manage employees in a way that continues to build product quality and visitor satisfaction.

Lake Placid has a huge variety of lodging ranging from upscale and current to old and in poor repair – including every step in between. Lake Placid competes with other destination mountain retreats and other regional destinations for the same visitors – and many of those have more upscale lodging options than Lake Placid. Lake Placid will need to continue to evolve its lodging products upward, at some point replacing those on the lower end with newer structures that are better oriented to views and better meet current lodging expectations.

Lake Placid hosts a variety of dining options, some with a view. Given the physically competitive theme of this destination and its clients, it is a little short on health-related dining. More dining – especially on the upscale end of quality and price – would be helpful. And, given the Olympic history of Lake Placid, it is would be nice if cuisine would take on an international flair.

Lake Placid has an energetic retail zone. A first time visitor may find the associated congestion daunting – but then again most of those first time visitors are from urban areas within a day's drive (where congestions rules). Local retailers have developed successful strategies to rotate stock to present storefronts that appeal to those attending events hosted in Lake Placid. Once again, though, much of what is presented as Adirondack craft work has really been knocked off by foreign factories. That undercuts the experience of being in Lake Placid, devalues Adirondack crafts, and sends visitor dollars out of the local economy.

The trolleys are an acknowledgement that Lake Placid has issues related to congestion and traffic flow and a first step toward making a problem an opportunity. The highway cannot be rerouted from the retail strip downtown. There are substantial gains in the quality of visitor experience to be made by coaxing day visitors onto the trolleys at the outskirts of town and overnight visitors onto the trolleys at their points of lodging. In a related issue, Lake Placid could use an upgrade to its entry points, creating more of a sense of arrival.

From a ***Local Perspective***, Lake Placid is clearly facing some quality of life and cost of living issues related to its tourism economy.

The congestion that may confuse and annoy visitors causes some locals to route themselves away from an important part of their own town. While many locals understand and put up with the short-term congestion associated with big events, clearly others are losing patience. As the economy becomes more “year-round” that patience may run thin.

Successful tourism has drawn many second-home buyers into the Lake Placid economy. Those buyers have both driven up home prices and stimulated development which is ballooning the size of Lake Placid, threatening its small town character.

To balance that, Lake Placid residents need only look to other Adirondack communities to realize that tourism has brought Lake Placid residents a rich variety of dining experiences, that they are an important part of the whole Olympic phenomenon, that they can shop for needed supplies without a long journey, and that their town has an upbeat self confidence often missing in the Adirondacks.

Further, as Lake Placid becomes more of a year-round destination, that will imply better incomes for locals who work in the industry. It will mean that many can become established residents of the community, contributing in ways that seasonal labor cannot.

There does not seem to be a healthy open line of communication between local residents and the tourism industry. That will be needed as Lake Placid seeks to grow its tourism revenues while keeping its host community on the winning side of tourism.

From a ***Structural Perspective***, Lake Placid is in good shape, but will need to both manage growth and grow quality to continue to improve its bottom line while reducing impacts to locals and visitors.

Internationally, the quality of lodging is continually improving. Rooms are getting bigger and amenities are improving, all at a rate that doesn't allow any lodging property or destination a moment's rest. Lake Placid's collection of lodging averages at the lower end when compared with national and international destinations that compete for the same visitor. The improvements that are underway currently need to continue – and they need to be communicated to potential patrons. It is hard to imagine that some of the older and lower priced lodging establishments will survive for ten years in this competitive market – and it would be good for the destination if those rooms were replaced/retooled with more current offerings.

Lake Placid's dining selection is broad, but not as broad as in competing destinations. As Lake Placid aims at higher spending destination travelers it will need more, more varied, and more upscale dining offerings. Dining with a view is important – there is some of that now, but more is needed. And there definitely needs to be more dining with “fun”.

Lake Placid's retail sector shows a great deal of variety, and is obviously run by skilled entrepreneurs. Keeping most of those shops locally owned and upgrading Adirondack style crafts to those actually produced in the Adirondacks will help. Effectively managing congestion will give more people time to peruse the shops and require less time searching for parking.

It might be helpful, in the downtown strip, if (over time) the majority dining migrated to the Mirror Lake side (for the views) while more shopping opportunities migrated to the uphill side. That would create a more “valuable” visitor experience – which would be rewarded by higher expenditures.

There has been a steady upswing in bicycling, both from those prepping for or wanting to test themselves on competitive routes and from those just wanting to ride amongst Adirondack scenery. The road system does not have adequate shoulders or parallel bike routes to support this growing activity. The addition of bike lanes or parallel but separate bike paths would greatly enhance both experience and safety.

Growth and inflating housing costs have pushed many of those who work in Lake Placid beyond its borders to find a place to live. Indeed, some long term residents feel “pushed out” by rising costs and willing outside buyers. This issue has the potential to “gut” the integrity of Lake Placid as a community and must be managed.

The Olympic image and Lake Placid's own Olympic history are an important part of Lake Placid. The Olympic venues (and the many experiences to be had in them) are exciting visitor experiences. These venues should be protected and even enhanced as time passes. Whether they are widely patronized by travelers, the Olympics continue to provide credentials for Lake Placid as a host for competitive sports.

Lake Placid, as mentioned above, is or is on the cusp of having a year-round tourism economy. Moving to a year-round economy opens an important structural change in the way Lake Placid works as a destination. It ramps up Lake Placid's ability to deliver a quality visitor experience. It can result in many businesses having a core of employees that have a long term interest in the success of both those businesses and the destination as a whole.

The issues of growth, reaching limits, impacts to visitor experience, impacts to local quality of life and cost of living all raise the issue of sustainability. Tourism has been the goose that has, year after year, laid Lake Placid's golden egg. This project is intended to devise ways to and build plans to protect the sustainability of Lake Placid as a destination, for the good of locals, visitors, and the tourism industry.

Lake Placid does have a great mechanism to capture visitor revenue and turn that revenue into skilled marketing moves. This project will result in the development of teams to address key aspects of the evolution of Lake Placid as a visitor destination, to provide a framework for actions and decisions, and to monitor future needs and outcomes.