

**TOWN OF WATERBORO
20/20 Master Planning Committee**

Hospitality & Tourism Chapter



DECEMBER 2014

HOSPITALITY

Background & Perceived Needs

Over the last decade, there has been a growing discussion about the feasibility of establishing an appropriately scaled hospitality industry within the community, whether it be hotel, motel, bed & breakfast or some form of lodging. One of the drivers of this conversation has been the growing need to lodge visitors/tourists/event participants in Town, as well as generate new income streams for our local businesses. The 20/20 Master Planning Committee presents this chapter as a next step in preparing for a better hospitality and tourism future.

Many Town events that have recently occurred in the Town of Waterboro have people asking: "Where do I overnight...How far away is the nearest hotel?" (See the next page for illustrative map that compares lodging locations, fee ranges and number of rooms in relationship to the East Waterboro intersection of Routes 5 /202/4.) Long standing community events like Old Home Days have drawn over 7,500 attendees in the past. In 2013, Old Home Days drew nearly 5,000 attendees and their ticket surveyors revealed that over 1/3 of the total attendees were from outside of Town. Many consumer-focused travel and leisure users seek out lodging. The lack of any hospitality industry in Town contributes a "value diminished" tourism.

Nearly all hotels/motels from East Waterboro take a minimum of 30 to 45 minutes to reach in summer traffic, excepting the Jeremiah Mason House Inn, which is about 15 minutes in Limerick Village. In many known cases, out of state visitors to Waterboro find lodging at the Jeremiah Mason Inn (ten guest rooms) because of its proximity, affordability, cleanliness and innkeeper hospitality.

The hospitality industry has many segments to its site selection process. Understanding the local market, key locations, service levels, room rates, economic shifts, regional competition, identified vs. loyal clientele are a few of the variables that require in-depth research. Take for example, service levels and identifying the right tier of chain hotel is a critical and initial first step. A professional market analysis would identify a mid-scale chain hotel with or without food & beverage, or perhaps an economy brand establishment that fits market conditions.

COMPARATIVE SNAPSHOT OF EXISTING LODGING



1 Jeremiah Mason House
 LOCATION: Limerick
 SIZE: 10 guest rooms, B&B
 TARIFF: \$55 - \$75
 DISTANCE: 10 miles

4 Angel of the Berwicks
 LOCATION: North Berwick
 SIZE: 5 guest rooms, B&B
 TARIFF: \$129 - \$165
 DISTANCE: 21 miles

7 PineCrest Inn
 LOCATION: Gorham
 SIZE: 9 guest rooms, B&B
 TARIFF: \$110 - \$170
 DISTANCE: 16 miles

2 Cornish Inn
 LOCATION: Cornish
 SIZE: 16 guest rooms
 TARIFF: \$65 - \$125
 DISTANCE: 20 miles

5 Ramada Inn
 LOCATION: Saco
 SIZE: 85 guest rooms, 3 suites
 TARIFF: \$100 - \$200
 DISTANCE: 12.5 miles

8 Hilton Homewood Suites
 LOCATION: Scarborough
 SIZE: 92 guest rooms
 TARIFF: \$129 - \$199
 DISTANCE: 23 miles

3 Hampton Inn
 LOCATION: Wells
 SIZE: 87 guest rooms
 TARIFF: \$109 - \$160
 DISTANCE: 24.5 miles

6 Super 8 Motel
 LOCATION: South Sanford
 SIZE: 48 guest rooms
 TARIFF: \$60 and up
 DISTANCE: 16 miles

9 Wakefield Inn
 LOCATION: Wakefield, NH
 SIZE: 6 guest rooms, 1 cottage
 TARIFF: \$100 - \$150
 DISTANCE: 29 miles

The above represents a cross-section of locations. Prices do not include sales tax and may fluctuate. Distances are approximate from East Waterboro.

HOSPITALITY

Primary Trends & Influencers for the Hospitality Industry from 2012- 2014

As the Town of Waterboro prepares to attract a hotel, motel and smaller scale arrangements such as a bed and breakfast lodging, all those promoting the Town's hospitality needs must be attentive to both regional and global trends that are shaping the industry. The 20/20 Master Planning Committee offers the following summary of trends and needs:

REGIONAL TRENDS

For the purposes of this chapter, regional trends will be focused on Central York County, Portland and Southern Maine. During the period of 2012-2013, there were no known hotel/motel proposals for Central York County, although several hotel ventures were explored but not built the South Sanford area. After a surge of hotel development in Augusta, Bangor and Waterville in the early part of the decade, the recent center of construction attention has been the City of Portland.

Currently, there are about 660 new hotel rooms either under construction or as part of a commercial building retro-fit in the City of Portland. Nearing completion are a 130 room Hyatt Place Hotel, a 131 room Marriott Courtyard Hotel, a 109 room boutique Press Hotel and a 290 room retrofitted former Eastland Park Hotel, which will open as the Westin Portland Harborview.

Although the tier level for a hotel in the Town of Waterboro would be scaled differently than our neighboring cities, there are certain demands that are quite universal in the trends outlook for the travel/tourism industry. The 20/20 Committee and Town Planner recognize that we live in an age of digital referrals that impact business revenues. According to a recent trend analysis report, more than 33 percent of hospitality customers consider TripAdvisor reviews to be extremely important. Additionally, sustainability of natural and built resources is the "new eco-standard" and holds strong appeal to environmentally conscious business and leisure travelers. Standard "green" practices, design, products, programs and packages will be integral to future Waterboro hotel planning and operation.

HOSPITALITY

GLOBAL TRENDS FOR FUTURE HOTEL DEVELOPMENT

The 20/20 Master Planning Committee realizes that the strategic marketing, promotion and development of a hotel/motel/lodging within the Town needs to attentive to following key global trends that are shaping the industry:

- **Blending of Hospitality & Natural Resources:** New properties that focus on the local natural resources (hiking, biking, orienteering, eco-tourism, unique & lengthy trail systems, snowmobiling and nature/water exploration) are in demand. The Town of Waterboro holds great potentiality in this area.

- **Blending of Hospitality and Health Care:** The relationship of medical facilities, whether clinics, hospitals, medical offices and the sort, mix well with adjacent hospitality servers. The Southern Maine Healthcare clinic in East Waterboro is currently underdeveloped but has a conceptually master planned capability.



SOUTHERN MAINE HEALTHCARE WALK-IN CARE

- **Brand Recognition & Customer Relationship Building:** There is a huge push towards hotel brands, as a way developing customer loyalty. It is anticipated the current tiers of hotel brands will expand over the next decade and the current brands will continue to grow over the next two years. (Market research is necessary to determine the best and most realistic opportunities for the Town of Waterboro.)

- **Mobile Apps and RFID:** Social media continues to serve the customer and the hotel, as well as create a whole new level of regional competitiveness. Radio frequency identification (RFID), targeted mobile applications and website engine optimization may be of particular interest in marketing the hospitality interests in the Town of Waterboro.

Hospitality Action Planning Recommendations

Action planning serves the 20/20 Committee to navigate the complexities hospitality industry. The following Committee recommendations set forth a proactive and progressive strategy for encouraging the hospitality industry within the Town of Waterboro:

- Review and modernize the Town's zoning ordinances, as they relate to the siting and zone locations for hotels, motels and bed & breakfast lodging. This should be accomplished in 2014 by the Waterboro Planning Board, Town Planner and Economic Development Committee.
- Pursue and retain in 2014, the services of a marketing analysis consultant specializing in the hospitality industry. The focus of the market analysis should include but not be limited to the review of historical/existing supplies, demands, occupancy levels, average rates and RevPAR (revenue per available room) trends as they relate to a hotel siting in Waterboro. The analysis should also make brand recommendations that represent the best products that are sustainable for the Waterboro market.
- Synchronize the start-up plans and initiatives of the Waterboro Economic Development Committee with the hotel /business park initiatives of the 20/20 Master Plan Committee. Maintain cross-communications and the Town Administrator, the Board of Selectmen and the Planning Board.

TOURISM

Overview

The Town of Waterboro is at the crossroads of tourism decision-making and development. Land use patterns (both natural and human-made) will continue to determine the growth of tourist visitation(s) and reasons for visitors to return. The majority of the Town's natural resources and unspoiled landscape provide opportunities for tourist niche markets. The lakes and ponds in Town have long been recognized as key open water assets. These water bodies occupy nearly 800 acres (2.2%) of the Town's geospatial area. Additionally, multi-use trails are popular resources that serve as a barometer of tourist interest.

Two local, private sector ventures, namely the Ossipee Mountaineers Snowmobile Club and the Ossipee Mountain ATVers Club have an extensive system of over 40 miles of trails within the Town. Three of the keys to their mutual success have been: 1) their focus; 2) their high level of volunteerism and 3) their club sustainability over multiple decades. The Ossipee Mountaineers Snowmobile Club, for example, celebrated their 40th year of existence in 2014. As travelers from away look at the Maine Interconnected Trail System map, they soon discover that Waterboro is a potential destination in Central York County.



SNOWMOBILES AND ATVS ON LITTLE OSSIPEE LAKE

Community Tourism: Event Sustainability

The Town of Waterboro has a proven track record of establishing long-term, successful community events that traditionally have brought together the private and public sectors and has supported the local business community. Two classic examples are the Waterboro Old Home Days and the Ice Fishing Derby. The Old Home Days event has traditionally been held every July and has had a significant tourist market draw. The sustainability of this event survived for 27 years due to popularity, annual repetition, dedicated volunteerism, solid public relations and a meaningful, fun experience. Unfortunately, the Old Home Days event was not held in 2014 due to variables such as the number and succession of volunteer efforts. Thus, there are tourism lessons learnt from the loss of this important event. It will be important to future tourism to better understand the underlying dynamics that foster sustainability to tourist attractions that bring thousands of residents and tourists on a single weekend.

Conversely, 2014 has seen the revival of the Ice-Fishing Derby to Little Ossipee Lake. This historical event went through a three year hiatus and was recognized as having a significant value as a tourist event. The event was re-calibrated by the American Legion Post #134 (Alfred/Waterboro) and Post #55 (Limerick) and the first reorganized season was declared a huge success with significant local and regional sponsorships/financial support. Again, sustainability is greatly impacted by consumer behaviors, regional need and a multi-skilled, thoughtful and large volunteer team.



ICE FISHING DERBY ON LITTLE OSSIPEE LAKE, FEBRUARY 16, 2014.

Nature-based tourism

Given the Town's abundance of natural resources, there are many reasons to focus on the development and enhancing of eco-tourism as the number one attraction for tomorrow's travelers. Examples of nature-based tourism could include paddling, bird-watching, camping, fishing, hunting, wildlife viewing, foraging and many others.

Nature tourism can make a major contribution to both the local economy, as well as to better environmental management practices. However, to produce economic returns in the future, a much clearer scope of visitor experiences, accommodation alternatives and tourism partnerships needs much clarification. Perhaps, the very first step should be to identify all local/regional natural assets and to undertake a tourist interest and knowledge survey of Waterboro's natural landscape



RIVER KAYAKING

Influence of the Millennial Generation

Millennials, often defined as the group born between 1980 and 2000, are becoming one of the most increasingly important groups to tourism as baby boomers age and travel less. Why is this millennial phenomenon so important? The millennial generation is expected to account for nearly 50% of flight spending by around 2020, according to the Boston Consulting Group. More statistics for millennial tourists in Southern Maine will hopefully be gathered in 2014/2015 by the Maine Tourism Association and the Maine Bureau of Tourism. The new focus of the millennial generation requires our attention. How does the Town prepare for the demands of modern-day tourists and travelers?

Currently, many traveling millennials see storytelling about their experience in a “selfie” (self- photo) that can be posted on Facebook. They seek out environments where they can interact with people and their surroundings. Their social interaction drives them to find new communities to explore, overnight and share their experience (whether it be good or bad) on social media. Therefore, the new breed of tourist is well-connected, experiential, and thrives on informal, natural experiences that they globally share.

The Town of Waterboro is at a crossroad in determining what direction to take in tourism. The strengths and weaknesses of the Town’s may seem to be apparent, but the times of simple tourist marketing are over. Millennials are more influenced by what social media says (or does not say) about tourist visits to Waterboro than previous generations. Given the minimal amount of marketing of the Town, a perfect opportunity exists to engage the Town in creating a digital tourist footprint that is competitive, unique and profitable for local businesses.



TOURISM

Traditionally, the tourism assets of Town of Waterboro are widely viewed as natural-resource based, with a particular focus on Little Ossipee Lake, the Pine Barrens and the Little Ossipee River. The trail systems have been and will continue to be a significant compliment to seeing/experiencing these resources. However, the tourism challenge remains in how to become a four season destination and grow the Town's economic base. Millennials and first-time visitors need social media and website vehicles to learn about tourist attractions, accommodations, services and what the area has to offer in terms of events/entertainment. In that the Town of Waterboro falls within the State's "Maine Beach Area", a strong effort to enhance the Town's inland identity and its hidden assets need to be amplified. The State of Maine conducts visitation surveys in a regional context and the most recent analysis is revealed on the next page.



THE TAYLOR FREY LEAVITT HOUSE MUSEUM



SWIMMING AT GOBEIL PARK ON LITTLE OSSIPEE LAKE

TOURISM

State Tourism Highlights & Recent Trends

To best understand the complexities tourism and to shape our Town's future tourism, it is important to first look at the State as a whole. There are 88,585 jobs in Maine that are tied to tourism (which is greater than the combined populations of Portland and Augusta). The total expenditures for tourism in 2013 equaled over 5.2 billion dollars. The direct spending on tourism-related trips by overnight visitors to Maine totaled over 4.1 billion in 2013. The Maine Bureau of Tourism is giving greater focus to identifying future shapers of tourism, particularly the "curious who are interested in new destinations; the involved advocates who are passionate about travel & bring it to social media; and the new, informed consumers seeking originality and social responsibility. Some recent State highlights that were researched and sourced by DCA, Inc. for the year 2013 are as follows:

DIRECT TOURISM EXPENDITURES IN MAINE

	2012	2013	PERCENTAGE OF CHANGE
State Visitation	27,932,111	29,809,148	6.7%
Retail Sales	\$1,428,207,407	\$1,477,723,792	3.5%
Restaurant	\$1,332,158,202	\$1,391,625,467	4.5%
Transportation	\$38,833,456	\$44,607,346	14.6%
Gasoline	\$508,795,830	\$511,313,008	1.5%
Lodging	\$1,271,033,750	\$1,441,972,510	13.4%
Recreation	\$340,460,298	\$365,895,064	7.5%
TOTAL	\$4,914,488,943	\$5,233,137,187	6.5%

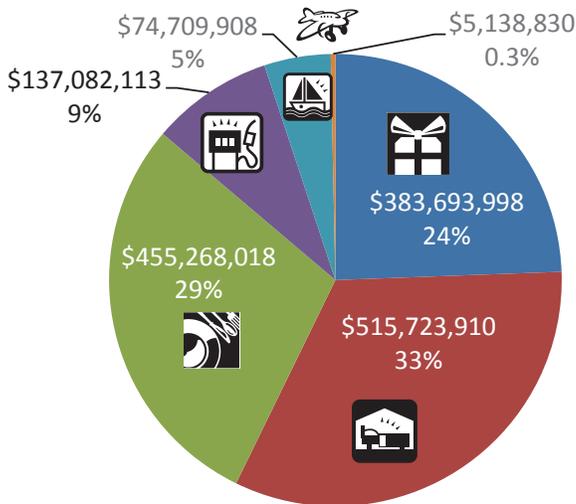
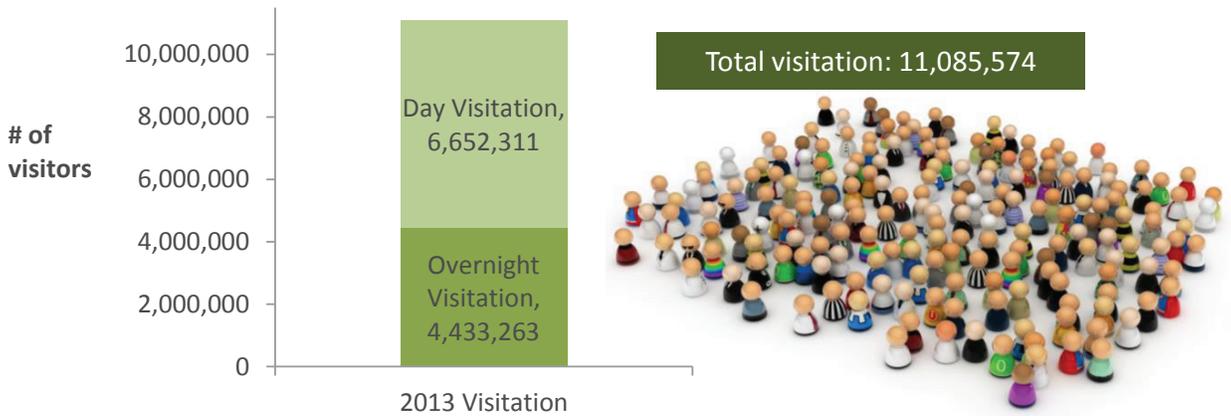
Specific regional break-out data for 2013 has been released for the Southern Beach region, the geographic area that the State has designated for the Town of Waterboro. (See next page.) Future research consideration should be given to conducting a Waterboro-specific intensive consumer business survey in the summer of 2015.



The Maine Beaches

2013 Regional Tourism Impact Estimate

Estimated visitation to the Maine Beaches in 2013 exceeded 11 million visitors.



In 2013, visitors to the Maine Beaches region spent more than **\$1.5 billion**.

- Retail Sales
- Lodging
- Restaurant/Food
- Gasoline
- Recreation
- Other Transportation

The money spent by visitors in the Maine Beaches region supported...

Economic Impact begins when a visitor spends money in an area. The benefits to the local economy go beyond the basic impact of these dollars spent – these dollars create a chain effect. The effects of these expenditures are evident as the direct recipients of these expenditures in turn pay wages, earn income, and pay taxes. Further these direct recipients spend *their* income and thereby create more impact.



- For the purposes of visitation and visitor expenditure estimates, only visitors on tourism related trips are included. Tourism related trips include: All leisure trips, VFR trips that are a general visit to see friends or relatives, a wedding, or a holiday visit, and business trips that are for a convention/conference/trade show or training/professional development.
- For the purposes of expenditure estimates, visitors are defined as all overnight visitors and all out of state day visitors on tourism related trips.
- Economic Impact is estimated using DPA visitor expenditure estimates, and the RIMS II Economic Impact model.



TOURISM

Tourism Action Planning Recommendations

- Strengthen, revitalize and maintain relationship with the Maine Tourism Association, the Maine Office of Tourism, the Maine Innkeepers Association, the Maine International Trade Center and the Maine Real Estate and Development Association.
- Create partnerships of a global context, particularly in the European Union, Norway and the Canadian Maritime provinces.
- Build alliances with our neighboring communities for seasonal recreational events
- Re-calibrate the need for more promotion of the Town with a focus on a higher level of diverse marketing of community resources and assets.
- Create a new GIS (geographic information system) map layer depicting all current (2014) ATV and snowmobile trails within the Town of Waterboro.
- Examine the 2013 Southern Maine Coast Visitation summary with particular attention to leisure and VFR (Visiting Friends & Relatives), as correlated to overnight versus day travel.
- Perform a summer long tourist survey for the purposes of identifying areas of improvement/expansion, as well as identifying customer services/future needs.