Tourism emerging as catalyst for economic development

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As an Upstate native, I have seen the area's economic landscape change dramatically over the past 20 years. We have responded successfully to globalization by diversifying our economic development strategies to include automotive and health-care industries. Despite innovation, the world will continue to flatten, as suggested by The New York Times columnist Thomas Friedman, and some area jobs will continue to shift abroad.

Despite the visible impacts of globalization on our communities and businesses, a few stalwart "bricks-and-mortar" economic developers still fail to recognize that tourism is also big business for the Upstate. The domestic tourist market has a $7.2 billion impact on the state's economy, contributing 107,160 jobs. International visitors contribute $600 million economically and 7,740 jobs. In sum, domestic and international visitors contribute $7.7 billion and 114,900 jobs.

The nature of tourism employment is also changing. Tourism is quickly shedding its low-wage image through entrepreneurship spawned by tourism-related industries and the development of a tourism-oriented government sector. High-value managerial and enterprise positions are emerging in tourism-led economies, ranging from positions in local governments to the sale of high-tech equipment used by visitors for navigation and interpretation, to expensive, advanced materials now preferred by many sportsmen. Anyone who has purchased hunting, fishing, camping and other outdoor recreation equipment in the last few years might strongly disagree that tourism is a low-wage industry.

Although the state is known to tourists worldwide for its beaches, the Upstate can expect to see increasing tourism in the years to come.

The factors that are driving tourism as the Upstate's emerging economic development are many. However, two major factors include the growth of the baby boomer market and technological innovation.

Baby boomers are an increasingly important travel niche. Baby boomer households generated the highest travel volume in the United States in 2003, registering nearly 270 million trips, more than any other age group. Boomers who once coveted Asheville as a retirement haven and real-estate investment are looking toward the Upstate for the same quality of life at cheaper prices.

The real-estate industry knows that many of their best clients first come to the Upstate as tourists.

Technology plays an important role, too. New residents find they can relocate in the Upstate and stay connected to family and friends around the country. Working at home a few days a week through the Internet frees the workers from daily trips to corporate campuses in Greenville, Charlotte or Atlanta.

Tourism can be a catalyst for economic development, corporate investment and technological innovation. It is little coincidence that the world's major technology hubs -- Basel, Bangalore, Prague, Dublin, Berlin, Tokyo, San Francisco, Singapore and Shanghai -- are also major tourism hubs or are striving to be. Although this relationship between tourism and innovation has yet to be explored adequately, it is safe to assume that Richard Florida's "creative class" -- bright, talented entrepreneurs and innovators -- are attracted to areas with
high quality of life as represented in the arts, culture, media and higher education.

Generally, cities that have embraced tourism as economic development have invested in attractions and amenities appealing to this class. After an initial visit as a tourist, these individuals (or corporations) may be enticed to relocate, bringing their talent, energy and resources.

Are we ready?

Upstate counties and communities should prepare for increased tourism through tourism planning that addresses marketing and development. Such a plan might include an asset inventory and evaluation, economic-impact scenarios, market segmentation, as well as many other elements.

It is important that such plans emphasize the sustainable use of perhaps the Upstate's greatest asset: the natural environment. The plan should stress the sound management of tourists so that local residents can continue to enjoy our outstanding quality of life.

Local businesses can take several steps to attract more visitors, including assisting state and local marketing efforts by providing up-to-date, accurate business information, becoming involved in organizations and associations related to the tourism industry, having an accessible Web site presence and providing quality goods and services at a competitive price.

The University of South Carolina's International Tourism Research Institute is available to help communities, organizations and businesses with their tourism needs.