

Product Development

Responding To Evolving Market And Consumer Demand

The following section outlines evolving consumer and market demands that are relevant to the tourism landscape in Washington with ideas for how you can respond to these shifts and embed sustainability and resilience into your product offering. Given that consumer demands and market trends are constantly evolving it will be important for you to understand and monitor changes in your own key source markets. The State of Washington Tourism can support with relevant data via its partner services and resource center – find out more at <https://industry.stateofwashington.com/tourism-resource-center/> and by getting in contact.

There is also advice on how to respond to these shifts with your destination stewardship, climate, and DEIA 'lenses' on.

Sustainability is good for business

Taking the time to develop and promote sustainable and regenerative products will be key to strengthening the resilience of your destination...

And it makes business-sense:

[MMGY Global's 2019-2020 Portrait of American Travelers](#) found that consumers are becoming increasingly conscientious about the impacts of their travel decisions:

- 60% stated that concerns over climate change will likely inform where they travel in the next 5-10 years; and
- 47% agreed that overtourism will also influence their choices

MMGY's 2023 *Spring Edition* found this to be of continued importance with 6/10 active leisure travelers willing to pay more to travel service providers that demonstrate environmental responsibility.

- *Younger generations specifically are more willing than older generations to make monetary commitments to help fund sustainability programs, while older generations are willing to change their travel behaviors if it doesn't increase the cost.*

Source: [MMGY Travel Intelligence](#)

Sustainable and Regenerative Experiences

Growing awareness of the impacts of the pandemic on small businesses and livelihoods increased awareness and concern amongst customers about how their travels impact and support local communities. Added to this is an increased demand for companies to demonstrate their sustainability credentials across all areas of their operations.

“Covid-19 has also escalated the overall concern about sustainability and social issues. Consumers will be looking to travel in a more responsible and meaningful way.” –Sébastien Bazin, CEO, AccorHotels
(Source: [Globetrender, 2020](#))

This desire to support local livelihoods is also leading to visitors prioritizing spending with small businesses. Increasingly, tour operators are incorporating a way to give back to the community into their tours that goes beyond just paying for an excursion and providing jobs.

The growing demand for tourism that supports local communities is being reflected in traveler decision-making. According to [Booking.com](#), more than half of travelers want to see how their money is going back into the local community.

Meetings and event companies who fulfill sustainability and local procurement criteria, are likely to have a competitive advantage and differentiate themselves in a market where clients are more likely to purchase services from companies that have sustainability policies and practices in place. Forward-thinking companies are already responding to this demand. Hilton, Accor and NH Hotels are all reporting on the volume and value of local purchasing. Hilton has also made a commitment to “double our sourcing spend from local, small and medium-sized enterprises and minority-owned suppliers for managed hotels and corporate offices”.

Consumer demand for sustainable travel has not only increased, but the emphasis has also changed; travelers are becoming more discerning about what sustainable travel can encompass, demonstrated by a growing awareness of the social, as well as the environmental impacts of travel:

- Social impact has moved to the top of the agenda, taking its place alongside environmental sustainability ([World Travel & Tourism Council: To Recovery & Beyond 2020](#))

Regenerative tourism goes beyond minimizing the negative impacts of tourism to a focus on ways in which tourism can contribute to the sustainable development of communities and leaving it in a better state than before. In this way, it promotes collaboration between tourism organizations and travelers who have a shared responsibility for improving the environmental, economic and social health of destinations.

This represents a change to the status quo and provides solutions to rethink and rebuild the tourism industry with a focus on harnessing local innovation and creative solutions to address destination needs.

Examples of regenerative tourism include visitors working with local organizations to learn about and help protect local wildlife and ecosystems, conserve forests or restore degraded land, improve equity in the destination, such as working with community gardens, supporting diverse tourism entrepreneurs, and more.

TIPS

- **Can you use your convening potential to bring together public, private, and NGO sector organizations to find ways of linking tourism products to existing initiatives that benefit local communities?** E.g., training/employment programs for residents to be employed in the tourism sector, partnerships between educational institutions and nature-based experiences in order to implement regenerative practices for combatting environmental degradation.
- **If pursuing any employment/training-related initiatives, have you considered how inclusive they are? Can you identify opportunities to make them more accessible to marginalized and underrepresented groups in society e.g., flexible hours, supported application processes, accessible buildings, etc.?**
- **Can you implement a certification or incentive scheme that would promote tourism businesses that are leading the way in terms of sustainability/zero waste/carbon reduction practices?**

- **Can you work with businesses to adapt existing products to reduce CO2 emissions?** E.g., cycling instead of driving tours, discounts for visitors that attend an attraction using public transport.
- **What new products can you develop to offer to visitors who are looking for sustainable and low-carbon experiences?**
- **Are you able to implement or advocate for the implementation of additional visitor fees/levies in protected areas that could collect funds to be used for conservation and regeneration projects?**
- **Do you have tourism products and experiences in your destination that correspond to the above definition of regenerative tourism?** It is highly likely that these products already exist, but you may not have considered them as examples of regenerative tourism before now. If so, it is worth making sure that they are described and promoted in this way in your marketing materials.

The increased awareness of sustainability and the desire to support local communities creates opportunities for supporting employment in your destination:

- **Can you find ways to collaborate with the private sector and local government authorities to leverage funding and initiatives that can offer support to help new (tourism) businesses, and adapt existing ones, to strengthen your destination's product?**
- **Can you identify opportunities to engage guests/visitors in biodiversity restoration/protection so that they can form a connection to the unique environment they are visiting and behave appropriately?**
- **Could you offer staff and/or visitors paid opportunities to participate in regeneration projects?**

Please see the next section of this handbook for more information on how destination management organizations, chambers of commerce, and trade associations can support tourism businesses to embed sustainability into product offerings.

The Great Outdoors

The pandemic-inspired increase in appreciation for nature and the great outdoors has spilled over into travel preferences and has boosted demand for all sorts of outdoor activities from nature-based experiences to extreme adventure products. Yet higher numbers of visitors spending time outdoors also carries significant risks for the destination if it is not managed sustainably; for example, overcrowding, congestion, pollution, littering; all of which can lead to environmental degradation and biodiversity loss, as well as diminishing the visitor experience.

TIPS

Consider the environment, as well as local communities, when you are developing and promoting products.

- **Can you encourage boat operators to spread out the timings of their tours and excursions to minimize marine and noise pollution at peak times?**

A quieter, less congested tour is likely to be more popular with customers and this may provide a more

unique experience. Equally, can you work with tour operators to support the development of new routes and excursions which visit less crowded areas/hot spot attractions? The same strategies can be applied to walking tours.

- **Can you support the development of tours that only use sustainable transport options?** E.g., setting up partnerships between vineyards and transport operators to create a cycling tour linking several wineries in an area.
- **How can you support small & medium tourism enterprises (SMEs) to respond to a changing climate?**

If climate change continues to result in higher average annual temperatures, how might this affect the availability and type of outdoor products and experiences on offer in your destination? Winter sports seasons may be shorter in the future. How can you plan ahead and minimize the impact of this for small businesses focused on winter sports?

Tribal Parks Allies: How First Nations fee programs can support equitable & decarbonized tourism communities

Since 2018, [Allied Certifications Ltd.](#) has been supporting the Tla-o-qui-aht First Nation to establish a first-of-its-kind, certification-based First Nations Fee program entitled [Tribal Parks Allies](#). This program recognizes participating tourism operators in Tofino, British Columbia, as 'Allies' in exchange for meeting certification criteria, including helping to act as ambassadors to the Tla-o-qui-aht Tribal Parks and collecting a 1% fee on behalf of the Nation. Tla-o-qui-aht allows Allies to display their logo, signaling to guests that they are an ethical business, and offers education and support (including media support) services to staff and management of local businesses. These services are helping [Tourism Tofino](#) to transform their destination marketing to be more supportive of the Tla-o-qui-aht Nation's interests. Participating businesses say that being labeled 'Allies' is great for their brand and helps attract visitors who are more conscientious of tourism impacts.

Since the launch of the Tribal Parks Allies program, Allied Certifications Ltd. has recruited over 100 Tofino businesses, who collectively contributed over \$275,000 in Tla-o-qui-aht's 2022 Fiscal Year. Ally-generated revenues fund the Tla-o-qui-aht Tribal Parks Guardians Stewardship Program and other regional services. The Tribal Parks Guardians serve and protect the Tla-o-qui-aht Tribal Parks, which encompass the largest intact coastal temperate old-growth rainforest remaining on Vancouver Island. These forests and coastlines are home to the richest biodiversity in Canada, sequester over [100,000,000 tCO₂](#), and attract a [\\$240,000,000](#) visitor economy to the idyllic West Coast community. The Tribal Parks Guardians program creates Tla-o-qui-aht employment, supports the Tla-o-qui-aht Nation's governance and stewardship priorities, and enables important ecological restoration work like restoring salmon-bearing rivers & cleaning up beaches and waterways.

Celebrating the success of the Tribal Parks Allies program they developed, Allied Certifications Ltd. has begun offering its services to other communities. They partnered with [4VI](#) in 2022 to encourage other First Nations in the Vancouver Island region to establish their own First Nations Fee programs.



Tribal Parks Allies

- **Do you know of any local businesses or organizations that are implementing nature-based solutions to support biodiversity or restore local ecosystems?**
- **Can you identify opportunities to link this to tourism, if it isn't already?**
- **How can you support tourism operators running outdoor activities to improve the accessibility of their experiences?** E.g., host (and fund) a specialized training session for these operators.

Please see the previous section of this handbook for more detailed information and guidance on managing visitor flows and behaviors to reduce crowds and congestion.

Trying a local dish came second in a [2019 Booking.com](#) survey that asked customers to list the activities they had planned for their next trip.

For 71% of travelers, eating 'local' food is now an important component of the holiday experience ([Booking.com 2021 Travel Predictions](#)).

A Pinterest survey found that searches for vegan and vegetarian travel options went up by nearly 200% from 2018 to 2019 ([The New York Times, 2019](#)).

Nature-based solutions comprise actions to protect, sustainably manage, or restore natural ecosystems as well as biodiversity, access to fresh water, improved livelihoods, healthy diets and sustainable food systems.

Food, Glorious Food!

Gastronomy or culinary tourism was witnessing a big surge in popularity before the pandemic and demand for local produce is at the forefront of this wave. Indeed, the state's food and beverage scene, with the abundance of local products from seas and farms to coffee, wine and beer, is one of the top motivators for travel to and within Washington State according to the State of Washington Tourism ([SWT Marketing Plan](#)). Culinary tourism ticks many boxes for customers as it provides an immersive and authentic experience that enables them to learn about the history and culture of a destination through its cuisine and unique delicacies. It is also being driven by a desire to support local businesses and reflects a growing consumer demand for health and wellbeing products.

The promotion of local food sourcing for tourism businesses and visitors is essential for enhancing the sustainability and resilience of your destination. In addition to being increasingly popular among visitors, it can also contribute to decarbonization efforts as it reduces food transportation and storage times and costs, that are often reliant on fossil fuels. Furthermore, it is a great way of pointing visitors to locally owned businesses and ensuring that visitor revenues are directly benefiting local communities, as well as can encourage visitation during low seasons. Washington wine regions of Walla Walla and Yakima Valley promote visiting wine country [during the fall](#) and likewise other agricultural regions promote the harvest season as a unique way to experience Washington outside the summer recreation months.

Tranche Winery, Walla Walla, Courtesy of Traveling While Black



TIPS

- **Do you have an inventory or directory of local businesses that specialize in local ingredients or dishes?**

If not, consider collating this information to share with visitors (and locals alike!). It could be designed as an interactive map on your website. You could promote a 'local food' logo for display in the businesses.

- **Can you implement an incentive program to encourage more tourism businesses to improve their supply chains and food sourcing?** Or some kind of competition to adapt local dishes and develop new ones made from local ingredients. Businesses who are leading the way or making meaningful changes could be rewarded with enhanced promotions.
- **How can you support gastronomy tourism to be more inclusive and climate-friendly in your destination?**

To ensure that culinary tourism in your destination is inclusive, it is worth working with local tourism businesses to ensure that they are providing alternative and diverse options to cater for a range of dietary requirements such as Halal, Kosher, and vegan and vegetarianism, which are on the rise globally. Furthermore, plant-based or flexitarian diets are important for reducing the carbon footprint of the global agriculture and food sectors and are, therefore, also supporting the transition to net zero.

A Rise In Domestic Tourism

“After lockdown, the first response to the pandemic was for consumers to default to domestic tourism, driven by the desire to catch up with friends and family, as well as take advantage of nature and open space after staying indoors for months.



The [Culinary Tourism Alliance](#), a non-profit organization, works with communities globally to support the development of culinary tourism. For example, they have supported destinations with peak seasons in summer to develop new food-based experiences during the winter season.



Oregon Food Trails

Travel Oregon's [Oregon Food Trails](#) introduce visitors to the distinctive food and drink of different regions through self-guided trails that showcase local farms, breweries, fisheries, and restaurants.

“While perceived not to be as glamorous as international travel, domestic trips are all part of building a resilient and thriving tourism industry, especially one that it is not restricted to seasonality and in the short-term acts as a necessary economic buffer.” (Euromonitor, 2020).

Domestic tourism has always made a significant contribution to the tourism market in Washington and one of the few positive impacts of the pandemic was a rise in people taking the time to discover what is on their doorstep. Destinations all over the world witnessed increases in tourism from the domestic market as international travel ground to a halt. This was a crucial support for local businesses and the local tourism sector and domestic visitors remain a key market for contributing to the long-term resilience of destinations. The rapid increase in domestic tourism in some places also exacerbated existing challenges such as managing surges in visitors to hot spots, traffic and transport pressures, as well as understanding how to balance corresponding decreases to other types of attractions or communities.

Organizations can leverage the potential of domestic tourism to offset these risks, for example by launching targeted marketing campaigns to encourage locals to visit lesser-known attractions. You can also help to balance visitor numbers across seasons by using marketing to optimize the mix of international and domestic visitors across hot spots in the region.

TIPS

- **Have you considered promoting the use of geolocation apps which allow visitors to track crowding at key sites in your destination?**

You could encourage visitors to download and use a specific app or you could post live updates on your own website. This will enable visitors to choose to experience popular sites at less busy times which will facilitate a more balanced flow of visitors between popular locations, likely resulting in a more positive visitor experience as well as reducing congestion, pollution and littering, and improving resident sentiment and satisfaction.

- **Can you subsidize entry fees for domestic visitors (or local residents) at off-peak times or during shoulder seasons?**

Additional questions to consider to boost the sustainability of your tourism product:

- **To what extent is your destination's unique selling point (USP) defined by a single product or product type?** 'Flagship' products e.g., a key attraction can play an important role in driving visitors to a destination and differentiating it from others but over-reliance on flagship products can increase destination vulnerability. Over visitation of flagship products can cause a deterioration of the product and decreased visitor and resident satisfaction. To mitigate this, some destinations are diversifying their product offer, which also creates new opportunities to spread the economic benefits of tourism more widely.

- **To what extent are tourism revenue flows concentrated in particular geographic areas?**

Related to the above, this also creates vulnerabilities if these regions become 'closed' to tourists. Crises such as natural disasters can close down certain regions, as can pandemics. A resilient destination should not be reliant on particular 'honeypot areas' to generate tourism revenue and should be able to offer visitors a range of alternative places to visit. For example, Colorado's 'Restart & Re-imagine' recovery plan and programs aim to drive tourism related economic development to the less visited and more rural parts of the state.

Reflections

- **Can you make any immediate tweaks to your products that would increase the benefits for local people and/or the environment?**
- **What longer-term changes can you make to the way you design and package tourism products and experiences in your community?**
- **Do any of your existing products tap into the demand for local and sustainable products and experiences?**
- **Can you think of any new products that you could develop that would align to this demand?**
- **Are you defaulting to "bucket list" marketing?**



Lake Sammamish State Park, Courtesy of Visit Issaquah

