

Human-Powered Recreation Brings Partners Together

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► The catalysts

Capitalizing on assets: Coös County, New Hampshire boasts incredible natural resource assets and beautiful landscapes, intrinsic qualities that appeal to locals and visitors who enjoy activities such as hiking, bicycling, camping, water sports, snow sports, fishing and hunting, and wildlife viewing. The region has many existing community groups and businesses in the outdoor industry who have come together to form a value chain, a network of partners who each work in their own ways toward a commonly held vision. In New Hampshire's North Country, this vision includes growth of the human-powered recreation sector.

Opportunity for new perspectives: The bonds between natural resources, communities, and generations of travelers run deep in this region, where the White Mountain National Forest is also called "The People's Forest" due to its long history of activity to benefit both the economy and the environment. Recreation tourism initiatives, common in rural high amenity areas, often focus on marketing to recruit new visitors from outside the region in order to bring in additional spending. However, success at increasing the total number

of visitors can create difficulties in managing the quality of the natural resources and maintaining enjoyment that both residents and visitors experience in the area. Developing strategies to grow the economy while mitigating potential harm to the region has required that these committed partners think in new ways.

Strengthening the economy:

Instead of focusing on visitor numbers, partners in northern New Hampshire are focused on increasing the quality of the information and experience for visitors, encouraging longer stays and more spending from tourists without a large increase in the number of visitors. This strategy is growing economic opportunity while also maintaining access for locals to enjoy their region's natural resources and avoiding the environmental challenges that can occur with overuse.

► The value opportunities

A regional philanthropic organization, the Neil and Louise Tillotson Fund of the New Hampshire Charitable Foundation, recognized opportunities

to use the rural wealth creation approach to create intentional value chains that would spark community and economic development in northern New Hampshire. The Tillotson Fund provided grant support to two organizations already working in the region, The Conservation Fund and the Appalachian Mountain Club, each of which already had a network of partners working in human-powered recreation. The two organizations applied for the funding together, realizing that they had complementary activities and networks, and that they could accomplish more by working together on value chain coordination.

These existing networks proved to be very valuable in the first three months of value chain coordination, leading the two coordinators to meet in-person or by phone with 46 individuals, ranging from business owners and town managers to state agency staff and volunteer coordinators. This outreach led to two workshops held in late 2017 to bring stakeholders together to explore the relationship between supply and demand in human-powered recreation,



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value chain partner mapping, marketing, and informal networking. Ultimately, the stakeholders discussed significant regional issues around decision-making at the local level and workforce development, for instance creating sustainable careers that are stable, provide fair pay and access to benefits, have promotion potential, and enable workers to participate in the North Country economy.

The value chain stakeholders identified opportunities to create locally rooted economic development by expanding existing businesses and establishing new ones that provide products and services directly tied to human-powered recreation. These local businesses that benefit from a growing economy include outfitters and equipment rental, equipment repair and services, outdoor recreation guides, and others. Many visitors to the region come for overnight trips, so hospitality businesses such as restaurants, lodging, and breweries provide other economic expansion possibilities.

For the businesses involved in services and equipment for outdoor recreation, a significant amount of knowledge and professionalism is needed to attract and retain tourists and tourism spending. However, these jobs tend not to be very high paying, with minimal opportunity for career advancement or increased incomes over time. Increasing the professionalism of the outdoor recreation-serving workforce may result in stabilizing or increasing incomes for these workers who may be at the economic margins.

The demand

The value chain coordinators worked with an economist to better understand who wants to spend time and money on human-powered recreation, and how many visitors it would take to achieve different wealth-building scenarios. Analysis of national and regional survey data and a visitor



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use study from the White Mountain National Forest in New Hampshire and Maine to understanding which types of sports and from which areas of the northeastern United States visitors to the region were likely to come. Different human-powered recreation activities contribute varied amounts to tourism spending, so the economic model estimated how many unique visitor trips would be needed to generate new sales activity in Coös County across several types of outdoor sports. This examination of quantitative data helps value chain partners to identify goals, such as increased sales, as well as strategies to increase economic activity.

The economic model gives a picture of how many new visitors would be needed to achieve financial goals, but the human-powered recreation value chain looks at other types of impact, as well. For instance, another nearby tourism area has had success in recruiting new visitors with the tradeoff of natural resource degradation. That affects the ability of local residents to enjoy the outdoors, but also has an impact on being able to meet visitor expectations, says The Conservation Fund's Sally Manikian.

WealthWorks value chains work well when businesses and their support partners have a direct connection to people who want to access the products and services—these customers and potential customers represent economic demand. In the



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case of human-powered recreation, value chain partners have ready connections to demand. In small businesses, owners and managers interact directly with customers, learning about the preferences of both out-of-town visitors and local customers. As a full partner in the value chain, the Appalachian Mountain Club provides overnight mountain lodge and hut accommodations, and serves as support partner with other local trail clubs to engage people in outdoor recreation, by organizing trips or managing volunteers to conduct trail maintenance.

These interactions are part of the strategy for implementing the economic model of demand. Appalachian Mountain Club's Chris Thayer describes how a rafting



operator might not have the capacity to bring many more visitors on the river where they operate tours, for example, but they might be the conduit of information about other activities and amenities that leads their rafting customers to stay longer and to come back for another trip.

Putting it together: Sharing the work to achieve new outcomes

The human-powered recreation value chain has an asset in its partners who are motivated to work together toward their own ends and the common goal of growing the economy. “We don’t have regular meetings, and we don’t have a steering committee. The value chain partners are people who don’t have time for that. They want to grow their businesses and solve the challenges they see in the human-powered recreation ecosystem,” says Manikian.

As coordinators, Manikian and Thayer help to create connections, facilitate conversations, and look for opportunities. However, they do not lead all of the value chain’s activities. Instead, other partners take on responsibility for specific actions that further value chain actions. One important early step was making space for partners to build social capital, which was one of the needs identified through the two regional workshops.



Partners had the idea to hold periodic networking events called “Rec After Hours.” “Within 24 hours,” Manikian says, members of the value chain “created a logo and a flyer, and came up with a format for the events,” which include a period of networking after a group recreation outing, such as a hike or bicycle ride.

Owners of different area businesses have organized a half dozen Rec After Hours events. These are held in different parts of the region and may be attended by different people working in recreation-oriented businesses and organizations. There is a Rec After Hours social media page with 60 participants, and the networking events have had up to 50 attendees.

The social capital built through Rec After Hours translates into new business opportunities, as people create connections that turn into referrals. Networking can even assist with creating and filling new jobs, including a new full-time guide position that was filled as the result of individuals finding common ground at one Rec After Hours event.

The bottom line: Filling gaps to move forward together

Entrepreneurship development has emerged as one of the gaps in the value chain, as a needed resource that should lead to more wealth creation potential in the region. Technical



assistance programs exist within New Hampshire, but none were focused on very early stage entrepreneurs who have a business idea or are in the first year of operation, and there was little formal financing from institutions for those kinds of new enterprises. After hearing from North Country business owners about these types of professional development needs, the value chain coordinators worked with a colleague at Plymouth State University and the Enterprise Center at Plymouth (a regional business incubator) to bring their entrepreneurship program, called the Apex Accelerator, to Coös County. A cohort of business owners and potential entrepreneurs meet once a week over the course of eight weeks, learning intensive modules focused on business modeling, business intelligence, strategic marketing, strategic management, entrepreneurial finance, and preparing to pitch a business concept. The course is relevant both for creating new enterprises and optimizing existing ones, making it useful to a range of current and prospective business owners.

One cohort of the Apex Accelerator course is focused on entrepreneurs in outdoor-related businesses and meets in Coös County, for which Thayer and Manikian helped to recruit participants. The first cohort finished classes in late 2018, and individuals reported receiving significant benefit, including

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additional support from the instructors outside of class time to develop product concepts and social cohesion from an entrepreneurial network. The initial cohort of outdoor entrepreneurs came from across the region and are working to develop different types of businesses, so they are able to support one another without being in direct competition. A new cohort will begin in spring 2019, and the course instructors are attempting to make it cross-generational, with business owners and prospective entrepreneurs along with high school and college students, to develop entrepreneurial capacity across the varied ages of North Country residents.

Other work is focused on filling gaps related to business financing and working with partners to conduct more mapping of outdoor amenities such as trails and other tourism information. For example, the trail mapping project is working with an existing partner, TrailFinder, to map a trail in every town in Coös County. In addition, partners will continue developing new business opportunities, such as midweek demand for human-powered recreation business by locals who may have after school or after work opportunities to recreate outdoors. This strategy may help to even out weekend business spikes that are driven by visitors to the region. In northern Coös County, stakeholders have recognized business opportunities that come from visitors from Quebec, as well as shared assets such as high-quality recreational opportunities and mutually supportive businesses on both sides of the U.S.-Canada border, such as bicycling and hiking opportunities around Coaticook, Quebec and food and lodging in Colebrook, New Hampshire.



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Funding the value chain

A combination of revenue sources supports the work of value chain partners. Support from the Neil and Louise Tillotson Fund has been critical for the inception and development of the value chain. From analysis of sectors with wealth-building potential to grants for coordination

and outside economic development professional coaching for the coordinators, the Tillotson Fund has made investments that enable wealth creation activities to take place.

Additional coaching and workshop facilitation was provided through U.S. Department of Agriculture (USDA) Rural Development funds that provide capacity building in rural regions around the country, while another USDA Rural Business Development

Grant awarded in 2018 will be used to develop a strategy to improve the wealth retention for high-skilled outdoor jobs such as guides. This is being carried out by the Canoe Trail, in partnership with us as coordinators.

The Apex Accelerator course is delivered with support from Plymouth State University, the New Hampshire Small Business Development Center, and Live Free and Start (an initiative of the NH Tech Alliance).

One of the existing mapping resources, the TrailFinder website, is supported through a variety of funding sources, including federal funds from the National Parks Service to support trail mapping and the U.S. Department of Transportation's Federal Highway Administration.

The ability of value chain partners such as local businesses to take on Rec After Hours and other activities increases the sustainability of local efforts at building multiple forms of community capital.



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the **wealthworks** inventory

- **Individual capital:** Strategies to increase and improve employment in outdoor recreation builds individual capital.
- **Intellectual capital:** Entrepreneurship is supported through networks and accelerators that build the innovation and resilience of small businesses. Value chain partners provide economic analysis to support value chain efforts.
- **Social capital:** Rec After Hours brings together local businesses and other stakeholders around human-powered recreation. The value chain is also working to build connections among trail clubs, destination marketing organizations, land managers, online trail mapping services, and more.
- **Natural capital:** The value chain is built on access to healthy natural resources, including maintained open space, clean air and water, and healthy plants and animals.
- **Built capital:** Significant built resources already exist and are maintained and expanded in the region's trail network. Online resources such as TrailFinder and Trail Hub exist as landing points to aggregate information to assist visitors and residents with planning their use of trails and amenities.
- **Political capital:** The value chain works to build local leadership and integrate youth into its efforts, creating ownership and direction for the region's activities. The human-powered recreation value chain is participating in New Hampshire's 10-year economic plan update. The region's U.S. Economic Development Administration-designated economic development district, the North Country Council, is a strategic partner for regional planning and economic development work that intersects with recreation and other supporting sectors.
- **Financial capital:** Although traditional financing is generally not available to start-ups in the North Country, some new businesses have found financing from family and friends or from quiet investors who have supported restaurants, other small businesses, and a rafting company's employee housing venture.
- **Cultural capital:** A strong enjoyment of the outdoors and recreation opportunities exists among the region's residents, second home owners, and visitors.
- **Local ownership and control:** Many of the human-powered recreation value chain businesses are owned by local residents who are invested in the future of the region while seeking strategies to grow their businesses. Support services, such as the Apex Accelerator's outdoor-focused course, were developed in response to local needs.
- **Better livelihoods:** Increasing sales at locally owned businesses will create benefit for business owners, but value chain partners are also exploring creative strategies to improve job quality for individuals in jobs that may be seasonal or offer minimal promotion potential and improve housing options for early career employees, where minimal quality housing is available to buy or rent for worker housing.



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Information sources:

Michael LeVert (2017). Human-Powered Recreation in Coos County: A Preliminary Model of Demand
Outdoor Economy: Value Chain Interactive Map
Personal communication with Sally Manikian, Chris Thayer, Melissa Levy, and Barbara Wyckoff

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