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Characteristics of Nature-based Tourism Enterprises in North Dakota

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Abstract

Recreational activities related to North Dakota's wealth of natural resources are well-established in North Dakota. In recent years, North Dakota's abundant resources have attracted visitors from around the country and the world. In addition to providing recreational activities for residents and visitors alike, natural resource-based tourism is a basic sector that may have considerable potential for creating economic opportunities in rural areas. Recognition of the potential importance of resource-based tourism to rural economies is well-advanced in other parts of the United States. However, little attention has historically been paid to tourism in North Dakota. While much anecdotal evidence exists suggesting that natural resource-based tourism is growing in North Dakota, no basic research on the sector has to date been completed. The goal of this study is to identify and analyze existing agricultural and natural resource-based tourism enterprises in North Dakota.

Key Words: nature-based tourism, outdoor recreation, enterprise characteristics, rural businesses, economic development

Characteristics of Nature-based Tourism Enterprises in North Dakota

Nancy M. Hodur, Dean A. Bangsund, and F. Larry Leistritz*

Introduction

Recreational activities related to North Dakota's wealth of natural resources are well-established. Camping, hunting, fishing, birding, and wildlife viewing are some of the outdoor recreational opportunities available in North Dakota. In recent years, North Dakota's abundant resources have attracted visitors from around the country and the world (Bangsund and Leistritz 2003). In addition to providing recreational activities for residents and visitors alike, natural resource-based tourism is a basic sector (a.k.a., primary sector) that may have considerable potential for creating economic opportunities in rural areas (Bangsund et al. 2002). Outdoor recreational activities are included in what has been coined natural resource-based tourism which encompasses a wide range of activities and services. Examples include agri-tourism (e.g., working farm or ranch activities, trail and wagon rides, corn maze, pumpkin patch), soft adventure (e.g., hiking, biking, birding, hunting, horseback riding, snowmobiling), and water sports (e.g., fishing, boating, skiing, canoeing), to name a few activities.

Recognition of the potential role of natural resource-based tourism in rural economies is well-advanced in other parts of the United States. However, tourism in general, and to a lesser degree nature-based tourism, in North Dakota has only recently been recognized for its economic development potential. Expenditures by out-of-state visitors have been the most rapidly growing component of North Dakota's economic base in the 1990s, and tourism has grown into the second largest basic (primary) sector in the state's economy (Coon and Leistritz 2003). While not all of the spending by out-of-state visitors is associated with outdoor recreation and nature-based tourism, recent increases in numbers of non-resident hunters suggest that North Dakota's natural resources and outdoor recreation opportunities have been an important source of increased visitor spending (Bangsund et al. 2002).

Economic development and diversification have been priority concerns for the state's policymakers for the past two decades, and substantial resources have been devoted to stimulating growth in manufacturing (including value-added agricultural processing), exported services, and energy-related industries. However, while the manufacturing and service sectors have registered substantial employment gains in recent years, most of that growth has occurred in North Dakota's four largest urban centers (Bismarck, Fargo, Grand Forks, and Minot) (Coon and Leistritz 2003). Given the difficulty of maintaining the state's family farms and rural population without development of locally-based non-farm income sources, landowners and local decision makers now recognize the potential importance of developing resource-based tourism activities. Natural resource-based tourism is a basic sector that may have considerable potential for creating economic opportunities in rural areas.

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While little attention has historically been paid to tourism in North Dakota's traditional agricultural and energy-based economic development efforts, resource-based tourism can attract new dollars to rural areas. Gross business volume from the 2001-2002 hunting and fishing seasons alone totaled \$1 billion in North Dakota (Bangsund and Leistritz 2003). In addition to new spending in local economies, especially rural economies, resource-based recreational opportunities can be important considerations for individuals and firms seeking to locate within the region, including urban areas. Research has clearly identified the link between economic and population location decisions and natural amenities (Deller et al. 2001; McGranahan 1999) and even decisions resulting in economic growth in urban areas will have beneficial spill-over effects on the entire state through direct expenditures and positive impacts on state fiscal resources. While much anecdotal evidence exists suggesting that natural resource-based tourism is growing in North Dakota, with the exception of a periodic assessment of hunting and angling activity (Bangsund and Leistritz 2003; Lewis et al. 1998), little basic research has been done on this emerging tourism sector.

The goal of this study was to identify and characterize existing outdoor recreation and nature-based tourism enterprises in North Dakota to assist the development of the agricultural and natural resource-based tourism sector in North Dakota. By identifying basic enterprise characteristics and activities and services offered, this study provides economic development professionals, as well as entrepreneurs, a snap-shot of the sector as they consider economic development opportunities related to outdoor recreation. This study represents not only the first step in describing North Dakota's fledgling nature-based tourism industry, but also represents the most comprehensive research to date. Because this study is the first done on this subject matter in North Dakota, it will also help to define and direct future research efforts.

Objectives

Study objectives were to identify the type of services and activities most frequently offered by outdoor recreation-related enterprises and identify basic business characteristics of enterprises currently operating nature-based or outdoor recreation-related businesses. By identifying services and activities offered and the basic business characteristics of existing businesses in this recently emerging tourism sector, landowners, entrepreneurs, economic development professionals, and policy and decision makers can use the information to facilitate potential economic development opportunities.

Methods

A total of 788 outdoor recreation-related businesses representing a broad spectrum of enterprises and offering a variety of activities and services, including farm- and ranch-based activities (horseback riding, cattle drives, etc.), hunting, fishing, birding and wildlife viewing, lodging, hiking, biking, snowmobiling, and similar activities, were surveyed in 2003 (Table 1). Research efforts were directed toward those enterprises where the primary business focus was related to outdoor recreational activities and did not include businesses such as gas and convenience stores, cafes and restaurants, and retail stores. While these types of businesses may have a portion of their sales derived from individuals pursuing outdoor recreation-related

activities, outdoor recreation-related activities are not the primary focus of their business and accordingly were excluded from the survey.

Table 1. North Dakota Outdoor Recreation-related Businesses, Response Rate, by Enterprise Type, 2003

Enterprise Type ¹	sample size	response rate
	-number-	-percent-
Guides	417	22.3
Bed and Breakfast	66	28.8
Agri-tourism/ birding/fossil digs	18	55.5
Camping	92	26.1
Miscellaneous	195	24.6
Total	788	24.6

¹Descriptions of specific activities and services for each enterprise type are detailed in Appendix B.

Because no comprehensive list of outdoor recreation-related enterprises existed, a mailing list was developed from the following sources: (1) North Dakota Game and Fish Department (listing of licensed guides and outfitters), (2) North Dakota Tourism Department, (3) local convention and visitors bureaus, and (4) Internet listings, brochures, and trade and travel magazines and publications. A concerted effort to identify a wide variety of diverse enterprises was made; however, the final list was heavily weighted toward businesses related to hunting and fishing activities. The mailing list was divided into five basic study groups: (1) guides and outfitters (both hunting and fishing), (2) bed and breakfasts, (3) campgrounds, (4) agri-tourism, birding, and fossil digs, and (5) miscellaneous. A miscellaneous category was created for those enterprises where the type of business was not clearly distinguishable.

A mail survey (Appendix B) was developed to identify the primary focus of the business, services provided, business characteristics (year established, number of employees, months of operation), customer characteristics, business revenues and expenditures, as well as to gauge respondents' perceptions and attitudes on a range of issues. The primary focus of the survey was to identify and characterize existing agricultural and natural resource-based tourism enterprises. The overall response rate was 24.6 percent, but may in fact be understated as there likely was some duplication in the mailing list (Table 1). For example, an enterprise may consist of a bed and breakfast, and offer hunting guide services, potentially placing the same enterprise on the mailing list twice, once as a bed and breakfast and once as a hunting guide. The respondent would not likely complete both questionnaires, thus understating the actual response rate. While every effort was made to eliminate duplication (many duplications were identified and removed from the mailing list), there was no way to be sure every duplication was eliminated. Response rates for each survey group are detailed in Table 1.

When appropriate, some questions were analyzed by type of business, length of time in business, and number of customer days to identify potential differences in responses. Comparisons of statistically significant differences were made using the Bonn Feronni test (SAS Institute 1985).

Results

Business Characteristics

Nearly half (45 percent) of the respondents indicated the primary focus of their enterprise was related to hunting (Table 2), such as guiding services either with or without lodging and/or meals, fee hunting, and/or hunting preserve. The remainder of the businesses were fairly evenly distributed by businesses type. Seven percent of the enterprises indicated the primary focus of their business was ‘agri-tourism, birding/wildlife viewing, and fossil digs,’ 10 percent of the enterprises indicated ‘campground/limited service resort/marina,’ and 16 percent of respondents indicated the primary focus of their business was ‘bed and breakfast/lodging only’ (Table 2). Primary business focus descriptions are detailed in Appendix B.

One of the main objectives of the study was to identify the type of services and activities most frequently offered by outdoor recreation-related enterprises. Respondents indicated services related to ‘lodging, meals, and food and beverage’ were offered most frequently (71 percent), with services and activities related to ‘hunting,’ such as guided hunting, fee hunting and/or game cleaning, offered the next most frequently (62 percent) (Table 2). About 30 percent of the respondents indicated offering activities related to fishing- and/or water-related activities such as guided fishing, equipment rental, tackle and equipment sales, and boat launch. Activities related to ‘birding and wildlife viewing,’ ‘hiking, biking, and other activities,’ and ‘farm- and ranch-related activities’ were offered less frequently, 18, 16, and 14 percent, respectively (Table 2).

While lodging, meals, and food and beverage services were offered most frequently by outdoor recreation-related businesses, lodging capacities of individual businesses were generally small (Table 3). For example, of those businesses that offered lodging, either lodging only or lodging in conjunction with some other service or activity, most had 1 or 2 cabins (71 percent), 10 or fewer hotel rooms (79 percent), 10 or fewer campsites with hookups (51 percent), or 10 or fewer primitive sites (71 percent). The maximum number of guests per cabin was most frequently reported to be 7 to 12 occupants (37 percent) with 66 percent of respondents indicating the maximum number of guests per cabin was 12 or fewer (Table 3).

Table 2. Business Characteristics of Outdoor Recreation-related Businesses, 2003

Business Characteristic	percent
Primary business focus:	
Hunting lodge, guiding, fee hunting	45.3
Bed and Breakfast	16.1
Agri-tourism, birding, fossil digs	7.3
Fishing guide, full service resorts	13.5
Campground, limited service resort	10.4
Other	7.3
(n)	(192)
Type of services provided:¹	
Lodging, meals, food and beverage	70.9
Hunting-related services and activities	61.7
Fishing and/or water-related services and activities	30.1
Wildlife viewing, birding, and/or sightseeing activities	18.7
Hiking, biking, winter activities, and/or water sports	16.4
Agriculture and/or farm- and ranch-related activities	14.5
Fossil digs, archaeological exploration, historical tours	4.4
(n)	(147)

¹Specific services and activities included in each business category and for each type of business are detailed in Appendix B.

Specific services and activities in each general category of services and activities are detailed in Appendix Tables A-1 to A-7. Type of services and activities offered by business type are detailed in Appendix Table A-8. Because of the small number of observations for each specific type of service or activity, the potential for sampling error was substantial. Accordingly, generalizations about the prevalence of specific services or activities would be inappropriate. Generalizations and conclusions focused on the broader categories of services and activities, rather than specific services and activities within each service category. For example, generalizations were limited to the overall category of ‘wildlife viewing, birding, and sightseeing’ rather than specific activities such as ‘guided birding or wildlife viewing tours.’

Table 3. Capacity of Lodging Services,
Outdoor Recreation-related Businesses,
2003

	---percent---
Primitive sites	
1-10 sites	71.4
more than 10 sites	28.6
(n)	(28)
Campsites with hookups	
1 to 10	51.2
11 to 20	9.3
21 to 40	20.8
more than 40	18.6
(n)	(43)
Hotel/motel rooms	
1 to 10	79.2
11 to 20	12.5
more than 21	8.3
(n)	(74)
Cabins	
1 to 2	70.8
3 to 4	11.0
5 to 8	8.1
9 or more	9.7
(n)	(72)
Maximum guests per cabin	
1 to 6	28.3
7 to 12	37.3
13 to 20	13.4
21 to 40	14.9
41 or more	6.1
(n)	(67)

Income and Demographic Characteristics

Revenues from the operation of an outdoor recreation-related business were not the primary source of income for most respondents (Table 4). Only 15 percent of respondents indicated their outdoor recreation-related business was their primary source of income. Sixty-four percent of respondents indicated 1 to 25 percent of their annual household income was from their outdoor recreation-related business. Only 8 percent indicated income from their outdoor recreation-related business was more than 75 percent of their annual household income. On average, 25 percent of respondents' annual household income was from their outdoor recreation-related business (Table 4).

Net household income of respondents covered a broad range (Table 4). Net household income was most frequently reported to be between \$45,000 and \$60,000 (23 percent) and \$60,000 and \$75,000 (23 percent). Net household income was less than \$45,000 for one-third of the respondents and \$75,000 or more for 20 percent of the respondents. Education levels for respondents were high, as most respondents (76 percent) indicated receiving at least some college education (Table 4).

Table 4. North Dakota Outdoor Recreation-related Businesses, Income Characteristics, 2003

Item	--percent--
Primary Source of Income:	
Salary/wages from either a private firm or public entity	29.6
My farm and/or ranch	26.5
My outdoor recreation-related business	14.8
My business not related to outdoor recreation	11.6
Retirement or investment income	10.6
Other	6.9
(n)	(189)
Percentage of Household Income from Outdoor Recreation-related Business:	
Zero	10.4
1 to 5 percent	23.9
6 to 25 percent	40.5
26 to 50 percent	12.9
51 to 75 percent	3.7
more than 75 percent	8.6
(n)	(163)
Average Percentage of Annual Household Income from Outdoor Recreation-related Business	
(n)	24.7 (146)
Respondents' Net Household Income	
less than \$15,000	6.6
\$15,001 to \$30,000	10.8
\$30,001 to \$45,000	16.3
\$45,001 to \$60,000	23.5
\$60,001 to \$75,000	22.9
\$75,001 to \$100,000	9.6
\$100,000 or more	10.2
(n)	(166)
Respondents' Level of Education	
Grade School	1.6
Some High School	2.5
Some College	30.7
College Degree	38.2
Advanced Degree (e.g., MS, PhD, JD)	7.0
(n)	(186)

Employees and Subcontractors

Most respondents do not have paid employees. Only 28 percent of respondents reported their business retained paid employees, and of those with paid employees most frequently they were part-time seasonal employees (74 percent). Respondents also were asked the number of months and the number of hours worked by their seasonal and part-time employees. However, limited observations on the number and type of seasonal and/or part-time employees made reliability of the results questionable. Because of the potential for sampling error, those results were not included in this report. Alternately, 52 percent of respondents indicated, on average, 2.2 unpaid family members were involved with their outdoor recreation-related business (Table 5).

Table 5. Characteristics of Employees,
Outdoor Recreation-related Businesses, 2003

Item	percent
Businesses with Paid Employees	28.0
(n)	(188)
Of Businesses with Paid Employees, Type of Employee	
Full-time employees	26.0
Part-time employees	24.0
Full-time seasonal employees	32.0
Part-time seasonal employees	74.0
(n)	(50)
Businesses with Unpaid Family Members	
	52.0
(n)	(184)
Average Number of Unpaid Family Members	2.2
(n)	(184)

To gauge the level of cooperation between outdoor recreation-related businesses and other local businesses, respondents also were questioned about the degree to which they subcontracted with other businesses. Respondents were asked if they subcontract with any other local businesses to provide goods or services to their customers or if they cooperatively market their business with any other outdoor recreation-related business. Respondents were asked to include only businesses they subcontract with, and not include other businesses their customers patronize on their own, or informal customer referrals to other businesses in their area. Results indicate most businesses do not subcontract with other businesses nor do they cooperatively market their business (Table 6). About 25 percent of respondents subcontract with another business, and 23 percent cooperatively market their business with another outdoor recreation-related business (Table 6). Of those businesses that indicated they subcontract with other local

businesses, the most frequent type of arrangement was for guides (65 percent) and lodging (55 percent) (Table 6). As was the case with paid employees, the limited number of observations describing the type of subcontracting outdoor recreation-related businesses engaged in made generalizations difficult. The margin for error with so few observations would be very large.

The distribution of the type of enterprises that outdoor recreation-related businesses cooperatively market was fairly balanced between local economic development and state and local tourism departments and other related businesses. Most frequently businesses cooperatively marketed their business with 'local economic development organizations, local Chamber of Commerce/state and local tourism departments' (Table 6).

Table 6. Businesses That Subcontract or Cooperatively Market with Other Local Businesses and Type of Businesses, Outdoor Recreation-related Businesses, 2003

Item	--percent--
Businesses that Subcontract	24.7
(n)	(186)
Type of Businesses that were Subcontracted with:	
Guides	65.2
Lodging businesses	55.3
Food and beverage services	39.1
Game cleaning or processing	21.7
Recreational equipment rentals	8.7
Other	1.7
Transportation services	1.3
(n)	(46)
Businesses that Cooperatively Market	23.1
(n)	(182)
Type of Organization Cooperatively Marketed With:	
Local economic development organizations/local Chamber of Commerce/state and local tourism departments	20.1
Other hunting-related businesses/guide and outfitters association/guides	17.6
Marina/bait shop/resorts	17.6
Lodging/bed and breakfast/motel/	
Homeowners with housing for rent	14.7
Other ¹	14.7
Restaurants	5.8
(n)	(68)

¹Other: Lewis and Clark Park, golf course, recreation activities, internet, outdoor magazine.

Business Operations

Consistent with the percentage of the hunting-related enterprises in the study group, surveyed businesses most frequently operated in September and October (Table 7) while a third of the respondents indicated they were open year round. Respondents were asked in which counties they operate their business with responses sorted by North Dakota state planning regions. While in many cases businesses operated in more than one county, the distribution of businesses operating per planning region was fairly evenly disbursed throughout the state and did not seem to be concentrated in specific regions of the state (Figure 1).

Table 7. Months of Operation,
Outdoor Recreation-related
Businesses, 2003

<u>Months</u>	<u>--percent--</u>
Year round	36.0
January	9.0
February	6.9
March	6.9
April	12.2
May	20.6
June	25.4
July	25.9
August	29.1
September	47.1
October	55.6
November	36.5
December	24.9
(n)	(189)

Most outdoor recreation-related businesses surveyed were relatively recent start-ups. Of the businesses surveyed, 85 percent have begun operations since 1990 (Figure 2). Additionally, the number of businesses started each year has grown with the trend sharply upward since the mid-1990s.

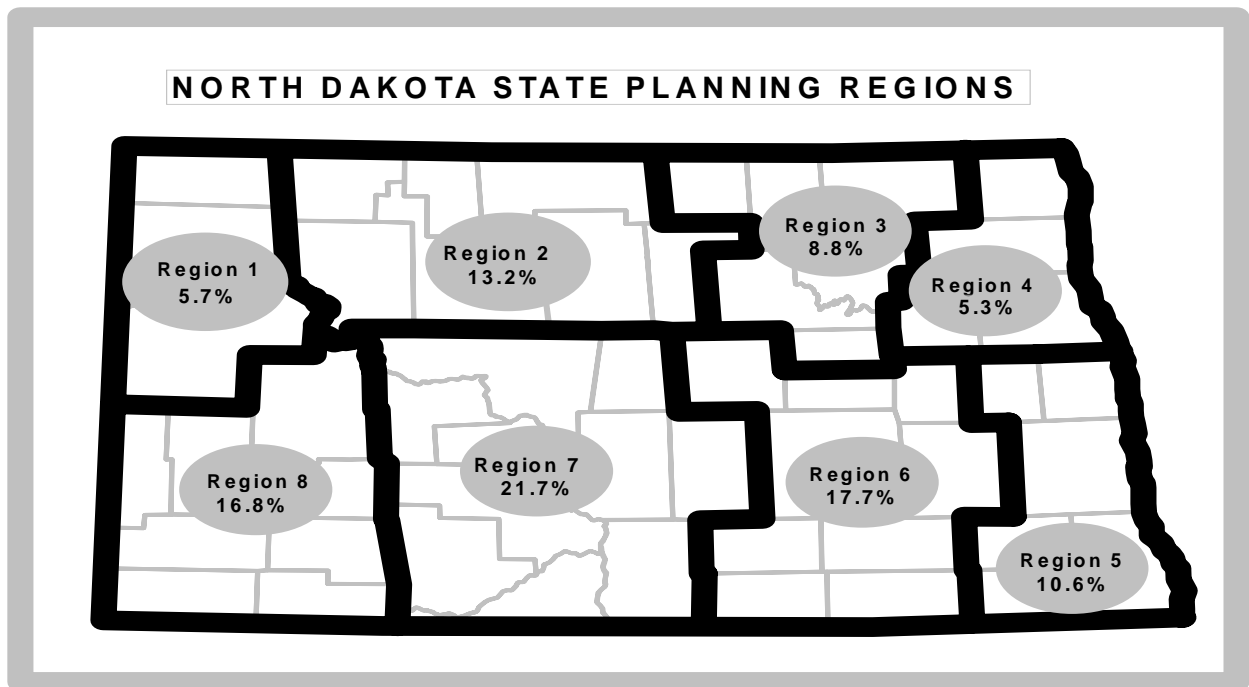


Figure 1. Outdoor Recreation-related Businesses Per Planning Region, 2003.

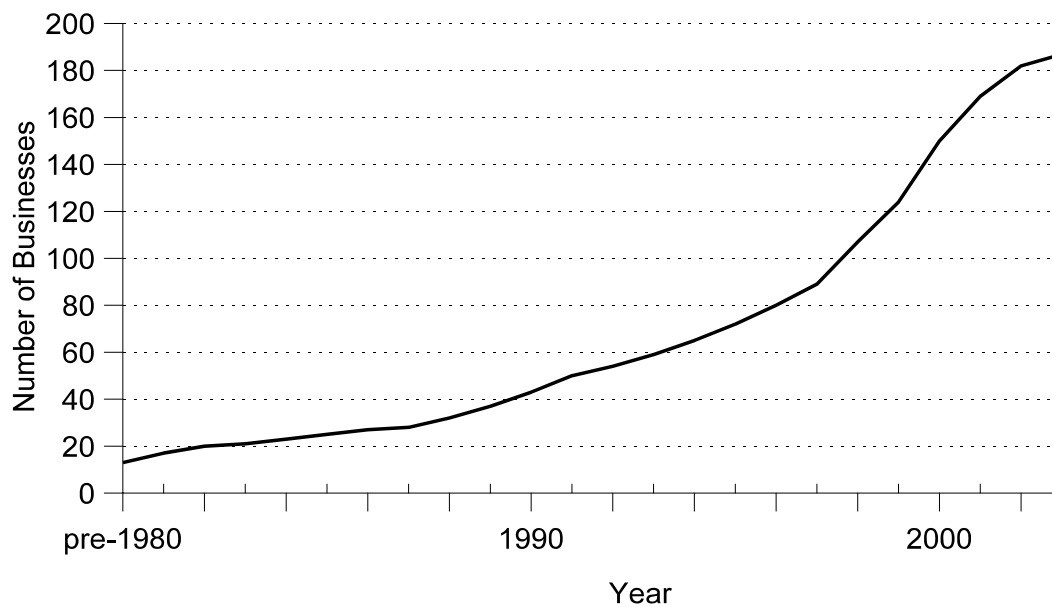


Figure 2. Year Business Operations Began, Outdoor Recreation-related Businesses, 2003.

Land Use

Land use and land access for outdoor recreation-related activities, especially hunting, has been a hotly debated issue in recent years (Bihrlé 2003; McFeely 2002). To determine the extent businesses in the study group had access to and/or utilized various types of land during the course of the operation of their business, respondents were asked how much land they had access to and if land use had changed in the last three years. Thirty-six percent of the respondents indicated land use and access to land was not applicable to their type of business. The remaining respondents generally did not report access to especially large acreages of land.

Forty-nine percent of respondents indicated access to 1 to 1,500 acres of owned land (land owned by the owner/operator of the outdoor recreation-related enterprise), followed by 20 percent that indicated utilizing no owned land, and 15 percent indicated they had access to 1,500 to 3,000 acres of owned land for their business. Only 4 percent of the respondents indicated land access of more than 10,000 acres of owned land. Over half of the respondents indicated no access to leased land, and 23 percent indicated they had access to 1 to 1,500 acres of leased land (Table 8).

Table 8. Acres of Land Used for Outdoor Recreation- related Businesses, 2003

Acres	Owned Land	Leased Land	Public Land
	-----percent-----		
Zero	20.5	54.7	89.9
1 to 1,500	48.7	23.1	6.4
1,501 to 3,000	15.4	8.6	0.0
3,001 to 5,000	8.6	4.3	1.8
5,001 to 10,000	2.6	6.0	0.9
10,000 or more	4.3	3.4	0.9
(n)	(117)	(117)	(109)
Total number of acres reported	243,000	255,000	38,000

Respondents largely did not utilize public land as 90 percent of respondents indicated they do not access public land for their outdoor recreation-related business (Table 8). There may be several potential explanations for the lack of utilization of public lands. In some cases, this may simply be due to the fact no public land exists in their local area. Alternately, depending on the type of public land, specifically federal land, permits may be required for some activities while other activities may be prohibited.

Average acreages of owned land used by businesses were 2,077 acres; however, the mode was only 500 acres indicating a few very large observations distorted the average. For businesses focused primarily on hunting, average acres of owned land were 2,379, and median acres of owned lands were 1,119 (Table 8). Businesses focused on hunting leased on average 3,442 acres, but median acres of leased land were only 310 acres. Land use by type of business

varied considerably. Average land use by other business types was considerably less than hunting-related businesses, except for businesses in the ‘agri-tourism, birding, and fossil digs’ category (Table 9 and 10). Respondents were also asked if the amount of land used in conjunction with their outdoor recreation-related business had changed in the last three years. A majority of the respondents (70 percent) indicated that land use for their outdoor recreation-related business had not changed in the last three years (Table 11).

Customer Characteristics

Respondents were asked a series of questions about the number and characteristics of their customers. Respondents were asked to estimate the number of customer days for the past three years and to predict the change in customer days from 2002 to 2003. A customer day was defined as one person participating in an activity or utilizing a service offered by the respondent for at least part of a day. For example, 2 individuals participating in an activity for 3 days would represent 6 customer days. Respondents most frequently (just over 50 percent) indicated 1 to 100 customer days in 2000, 2001, and 2002 (Table 12). Only 11 percent of respondents in 2000, 12 percent in 2001, and 14 percent in 2002 indicated more than 1,000 customer days per year. The average numbers of customer days was 817 in 2000, 811 in 2001, and 852 in 2002. Median numbers of customer days were much lower, 74 in 2000, 80 in 2001, and 90 in 2002, indicating the average was distorted by a few observations with very high numbers of customer days. Total number of customer days reported by all respondents increased from 106,272 in 2000 to 113,567 in 2001, a 6.8 percent increase, and to 129,533 in 2002, an additional 14 percent increase. Further, nearly half of the respondents indicated they believed the number of customer days will increase in 2003 (Table 13).

Average customer days by business category were generally stable to increasing for most business types from 2000 to 2002. Average customer days was highest for ‘campgrounds/limited service resort’ (6,689 in 2002), followed by ‘fishing guide/full service resorts’ (1,415 in 2002). Given the nature of their businesses, the range of services offered, and the length of seasons involved, it would be reasonable to expect a high number of customer days even though there were relatively few entities in those categories. The median customer days for both categories were substantially less, again suggesting a few very large observations distorted the average. Among other business types, average customer days ranged from 187 in 2002 for ‘hunting lodge, guiding, fee hunting’ to 776 in 2002 for ‘other,’ with median customer days of 70 and 341, respectively.

An examination of the number of customer days by year of business establishment reveals a more steady upward trend. With the exception of businesses established before 1981, the longer a business has been established, the greater the average customer days. As would be expected, businesses that have operated for a longer period of time have more customer days than new enterprises. As was the case when examining average customer days by type of business, the median figures for customer days by year of business establishment were much lower than the averages (Table 14).

Table 9. Amount of Owned Land Used for Outdoor Recreation-related Activities by Type of Business, Outdoor Recreation-related Businesses, 2003

Business Type	Average	Median	Zero	1-1,500	1,501-	3,001-	5,001-	10,000	Total
	acres	acres	acres	acres	3,000	5,000	10,000	or more	
	-----acres-----		-----percent of respondents-----						
Hunting-related activities (n)	2,379	1,119	20.8	38.9	19.4	12.5	2.8	5.6	62.1
Campgrounds/limited service resorts (n)	69	0	15.4	84.6	0.0	0.0	0.0	0.0	11.2
Bed and breakfast/lodging (n)	869	190	10.0	60.0	30.0	0.0	0.0	0.0	8.6
Fishing/full service marina (n)	57	0	55.6	44.4	0.0	0.0	0.0	0.0	7.8
Other (n)	870	40	14.2	71.4	14.3	0.0	0.0	0.0	6.0
Farm & ranch, birding & fossil digs (n)	2,212	40	0.0	60.0	0.0	20.0	20.0	0.0	4.3
Total (s) (n)	2,077 (116)	500 (116)	20.7 (24)	49.1 (57)	15.5 (18)	8.6 (10)	2.6 (3)	3.5 (4)	100.0 (116)

Table 10. Distribution of the Amount of Land Leased for Outdoor Recreation-related Activities by Type of Business, Outdoor Recreation-related Businesses, 2003

Business Type	Average	Median	Zero	1-1,500	1,501-	3,001-	5,001-	10,000	Total
			acres	acres	3,000	5,000	10,000	or more	
			percent of respondents						
-----acres-----			-----percent of respondents-----						
Hunting-related activities (n)	3,442	310	44.4	25.0	11.1 (72)	6.9	6.9	5.6	62.1
Campgrounds/limited service resorts (n)	114	0	76.9	23.1	0.0 (13)	0.0	0.0	0.0	11.2
Bed and breakfasts/lodging (n)	400	0	80.0	10.0	10.0 (10)	0.0	0.0	0.0	8.6
Fishing/full service marina (n)	970	30	33.3	55.6	0.0 (9)	0.0	11.1	0.0	7.7
Other (n)	0	0	100.0	0.0	0.0 (7)	0.0	0.0	0.0	6.0
Farm and ranch, birding, and fossil digs	1,800	0	60.0	0.0	20.0 (5)	0.0	20.0	0.0	4.3
Totals (n)	2,317 (116)	0	54.3 (24)	23.3 (57)	8.6 (18)	4.3 (10)	6.0 (3)	3.4 (4)	100.0 (116)

Table 11. Change in Land Use in the Last Three Years, Outdoor Recreation-related Businesses, 2003

Item	percent
No Change	70.4
Decrease	8.8
Increase	20.8
(n)	(125)

Table 12. Number of Customer Days, 2000 through 2002, Outdoor Recreation-related Businesses

Customer Days ¹	2000	2001	2002
	-----percent-----		
Zero	3.9	2.9	1.3
1 to 100	56.7	56.1	57.0
101 to 200	6.2	7.2	6.6
201 to 300	7.0	6.5	5.3
301 to 500	7.0	2.1	7.3
501 to 1000	8.5	12.2	8.6
1000 or more	10.8	12.2	13.9
(n)	(129)	(139)	(151)
Total number of customer days reported	106,272	113,567	129,533
Average number of customer days per business	817	811	852
Median number of customer days per business	74	80	90
Mode number of customer days per business	30	40	30

¹Customer days is a function of the number of days, either a full day or part of a day, and the number of individuals who participate in a given activity. For example, two individuals that participate in an activity for three days would represent six customer days.

Table 13. Respondents' Perceptions Regarding Change in the Number of Customer Days from 2002 to 2003, Outdoor Recreation-related Businesses, 2003

Item	Percent of Respondents	Mean Percent	Mode Percent
Increase	46.3	25	10
Decrease	15.8	32	10
No Change	37.8	--	--
(n)	(164)	(76)	(26)

Table 14. Average Customer Days and Median Customer Days, 2000, 2001, 2002, by Type of Business, and by Year Business Established, Outdoor Recreation-related Businesses, 2003

Type of Business	Average Customer Days			Median Customer Days		
	2000	2001	2002	2000	2001	2002
	-----number of days-----			-----number of days-----		
Agri-tourism, birding, fossil digs	86	632	499	70	80	50
(n)		(14)			(14)	
Hunting lodge, guiding, fee hunting	165	181	187	68	72	70
(n)		(87)			(87)	
Fishing guide/full service resorts	1,140	952	1,415	70	40	87
(n)		(26)			(26)	
Campground/limited service resort	6,210	6,433	6,689	1,736	1,580	2,211
(n)		(20)			(20)	
Bed and Breakfast	356	339	391	100	120	191
(n)		(31)			(31)	
Other	654	751	776	460	300	341
(n)		(14)			(14)	
Year Business Established						
1980 and before	4,193	3,816	4,437	821	561	766
(n)		(17)			(17)	
1981 to 1990	1,188	1,341	1,370	127	145	210
(n)		(26)			(26)	
1991 to 1999	395	449	490	80	82	100
(n)		(81)			(81)	
2000 to 2003	117	216	250	20	40	45
(n)		(63)			(63)	

¹Customer days is a function of the number of days, either a full day or part of a day, and the number of individuals who participate in a given activity. For example, two individuals that participate in an activity for three days would represent six customer days.

Customers were most frequently non-residents from elsewhere in the United States, 69 percent (Table 15 and Appendix Table A-9). Of the non-residents, 23 percent were from states adjacent to North Dakota (South Dakota, Minnesota, and Montana). Respondents indicated on average 29 percent of their customers were North Dakota residents, either local residents or North Dakota residents from elsewhere in the state. Outdoor recreation-related enterprises indicated their customers were most frequently individuals (39 percent), followed by non-family groups (27 percent) (e.g., friends, corporate-sponsored groups, clubs, associations) (Table 15). Family groups were cited by respondents least frequently. On average, only 15 percent of surveyed businesses' customers were family groups (Appendix Table A-9).

Most respondents have plans to alter their businesses in the next year. While 39 percent planned to expand, 28 percent planned to renovate at least some portion of their business, and 26 percent planned to add more services or activities to their outdoor recreation-related business; when considered cumulatively, 74 percent plan to either expand, renovate or add services or activities (data not shown). Only 10 percent indicated they planned to sell or close their business (Table 15).

Table 15. Customer Characteristics and Future Plans for Expansion, Outdoor Recreation-related Businesses, 2003

Characteristic	Percent of Customers
Customer Residency	
Local Residents	10.7
ND Residents from elsewhere in the state	18.5
Non-residents from adjacent states (MN, SD, MT)	22.6
Non-residents from elsewhere in the U.S.	46.0
Canada residents	0.9
Other International residents	0.6
(n)	(180)
 Customer Characteristics	
Individuals	39.4
Couples	18.7
Family groups with children	14.5
Non-family groups	26.8
(n)	(182)
 In the next year do you plan to do the following:¹	
Expand current operation	39.2
Renovation of some portion of operation	27.3
Add services or activities	25.9
Close or sell business	9.8
(n)	(143)

¹Does not total to 100 percent because of multiple responses.

Financial Characteristics

As reported previously, the primary source of household income for most respondents was not from respondents' outdoor recreation-related business. Gross and net income of respondents are consistent with that of a secondary income source. Forty-six percent of respondents reported \$1 to \$10,000 in gross income (Table 16) while only 20 percent reported gross income of more than \$50,000 from their outdoor recreation-related business. Average gross revenue was \$58,000 with a median gross income of \$10,000, the much lower median again highlighting the effect of a few large observations on the average. Respondents most frequently reported gross income between \$1 to \$10,000 (46 percent) providing a more accurate assessment of the typical gross income of outdoor recreation-related businesses than the average gross income figure.

Trends were similar for net income; 25 percent of respondents reported net losses or zero net income, and 46 percent reported net income of \$1 to \$10,000 (Table 16). Average net income was \$9,700 and the median net revenue was \$2,000. As was the case with gross income, the distribution of net income provides a more accurate description of typical net incomes (Table 16). Twenty-one percent of respondents indicated a net loss, 4 percent reported zero net income, and 46 percent reported net income of \$1 to \$10,000.

Table 16. North Dakota Outdoor Recreation-related
Businesses, Gross and Net Revenue, 2003

Item	
Gross Revenue	--percent--
Zero	4.0
\$1 to \$10,000	46.4
\$10,001 to \$25,000	16.8
\$25,001 to \$50,000	12.8
\$50,001 to \$100,000	8.0
More than \$100,000	12.0
	--dollars--
Average Gross Revenue	57,999
Median Gross Revenue	10,000
(n)	(125)
Net Revenue	--percent--
\$10,000 or more loss	5.9
\$5,000 to \$9,999 loss	3.4
\$1 to \$4,999 loss	11.8
Zero	4.0
\$1 to \$10,000	46.4
\$10,001 to \$25,000	16.8
\$25,001 to \$50,000	12.8
\$50,001 to \$100,000	8.0
	--dollars--
Average Net Revenue	9,730
Median Net Revenue	2,000
(n)	(119)

Total gross revenue of all surveyed enterprises totaled \$7.1 million with total net revenues of \$1.1 million (Table 17). Total gross revenue per business category ranged from \$168,000 for bed and breakfasts to nearly \$3 million for hunting-related enterprises. Considering nearly 4 times as many hunting-related enterprises reported gross income than did bed and breakfast/lodging enterprises, the disparity between the total gross revenue of the two business categories would be expected. Net revenue as a percentage of gross revenue overall was 16 percent; however, net revenue as a percentage of gross revenue varied from 4 percent to 24 percent, depending on business type (Table 17).

The totals outlined in Table 17 represent only net revenues and losses reported by survey respondents. Because of the sensitive nature of financial information, many respondents did not complete the portion of the questionnaire detailing financial information. Because of the limited number of responses from each study group, the potential for sampling error was substantial. Accordingly, the average gross and net revenues of the survey respondents were not applied to survey population to make inferences about the larger population of outdoor recreation-related businesses.

Technical Assistance, Marketing, and Issues and Attitudes

One of the research objectives was to identify respondents' areas of interest for technical assistance. Economic development professionals, as well as other outreach organizations, are interested in knowing and understanding what types of information would be most useful to business owners or individuals that are considering starting an outdoor recreation-related business. To facilitate outreach efforts, respondents were asked to rate on a scale of 1 to 5 (where 1 is not helpful and 5 is very helpful) the types of information or technical assistance that would be helpful to their business. Respondents most frequently stated that information related to 'marketing and advertising' (60 percent) and 'web site design and internet applications' (65 percent) would be most helpful (Table 18). A statistical analysis of average scores for technical assistance by business type and by the year the business was established revealed no statistically significant differences in respondents' perceptions regarding technical assistance needs. Accordingly, average score by business type and by year the business was established were not reported.

Respondents also were asked if they used a particular type of advertising and to rate the effectiveness of various types of advertising on a scale of 1 to 5 where 1 is not effective and 5 is very effective. Nearly all respondents rely on 'word of mouth and customer references' (97 percent). Respondents also gave 'word of mouth and customer references' the highest average score for effectiveness of all advertising methods rated (4.7) (Table 19). 'Brochures and pamphlets,' 'web sites,' and 'printed media' such as newspaper and magazines were also widely utilized by 70 percent, 62 percent, and 60 percent of respondents, respectively. Respondents generally indicated all three forms of advertising listed above were effective. 'Television or radio' and 'trade publications' were utilized by respondents less frequently, 26 and 29 percent, respectively (Table 19).

Table 17. Gross Revenue, Net Revenue, and Net Revenue as a Portion of Gross Revenue, by Business Type, Outdoor Recreation-related Businesses, 2003

Item	All business types	Birding, agri-tourism, fossils digs, other	Hunting lodge, guides, outfitters, fee hunting, and game farms	Full-service resort/marina, fishing guide	Campground/limited service resort/marina	Bed & Breakfast, lodging only
	-----dollars-----					
Total gross revenue	7,136,000	26,000	2,931,358	2,991,377	618,429	168,448
(n)	(125)	(3)	(67)	(18)	(9)	(18)
Net profit or loss	1,158,000	14,800	698,450	294,951	52,553	6,881
(n)	(119)	(4)	(66)	(15)	(8)	(17)
Average gross revenue	57,999	8,667	43,752	166,188	68,714	9,358
Median gross revenue	10,000	9,000	10,000	16,000	35,000	4,250
(n)	(125)	(3)	(67)	(16)	(9)	(18)
Average net revenue	9,730	3,700	10,581	19,663	6,569	404
Median net revenue	2,000	2,400	2,400	3,000	-750	0
(n)	(119)	(4)	(66)	(15)	(8)	(17)
	-----percent-----					
Average net revenue as a percentage of gross revenue	16.0	24.0	24.0	10.0	8.0	4.0
(n)	(119)	(12)	(67)	(16)	(8)	(17)

Table 18. Perceptions Regarding Need for Technical Assistance, Outdoor Recreation-related Businesses, 2003

Item	Average Score ¹	Very Unhelpful	Not Helpful	Neutral	Helpful	Very Helpful	
		-----percent-----					
Marketing/advertising	4.0	9.3	3.5	16.9	21.5	48.8	
Web site design, internet applications	3.8	6.5	5.9	21.8	32.3	33.5	
Legal (insurance, liability contacts, state/local regulations)	3.4	13.9	4.1	33.5	26.6	22.0	
Habitat/land mgmt. and improvement	3.1	24.6	5.4	27.5	16.8	26.4	
Industry trends and updates	3.1	15.6	9.0	34.1	28.1	13.2	
Personnel mgmt./guest relations	2.9	19.2	10.2	45.5	15.0	10.2	
Business and/or financial management; strategic planning	2.8	24.7	9.0	41.0	16.3	9.0	
(n)		(169)					

¹Average score based on a scale from 1 to 5 where 1 is not helpful and 5 is very helpful.

Table 19. Respondents' Utilization and Perceptions Regarding Effectiveness of Various Types of Advertising, Outdoor Recreation-related Businesses, 2003

Type of Advertising	Respondents that utilize media type	Average Score ¹	Very In- Effective	Somewhat Ineffective	Neutral	Somewhat Effective	Very Effective
	---percent---		-----percent-----				
Word of mouth/reference from customers (n)	96.5 (172)	4.7	0.0	12.0	4.5 (156)	15.4	78.8
Brochure or pamphlet (n)	70.4 (162)	3.8	0.8	7.7	26.4 (129)	38.0	27.1
Web site (n)	62.1 (161)	3.9	7.5	0.8	24.2 (120)	29.2	38.3
Printed media (newspaper, magazine) (n)	60.3 (156)	3.3	8.5	14.4	32.2 (118)	30.5	14.4
State agency publications (State Tourism, Game & Fish, etc.) (n)	39.7 (156)	3.6	7.0	7.8	29.6 (115)	32.2	23.5
Chamber of Commerce, CVB publications (n)	38.8 (157)	3.4	13.0	6.5	28.6 (77)	26.0	26.0
Trade shows (n)	33.6 (152)	3.3	13.2	11.8	30.3 (76)	23.7	21.1
Trade publications (n)	29.3 (150)	3.1	11.1	19.4	34.7 (72)	22.2	12.5
Television or radio (n)	26.0 (150)	3.2	10.8	13.8	36.9	23.1	15.4 (65)

¹Average score based on a scale from 1 to 5 where 1 is very ineffective and 5 is very effective.

Respondents also were asked their perception of the economic development potential of various outdoor recreation activities. Nearly all respondents (90 percent) agreed that hunting and fishing had at least some economic development potential (respondents rated economic development potential on a 5-point scale where 1 is no potential, 3 is some potential, and 5 is great potential) (Table 20). Roughly half the respondents indicated birding, wildlife viewing, interpretive nature tours, off-road activities, water sports, and working farm and ranch activities had economic development potential. Across all activity types, only a small percentage—generally less than 10 percent—indicated they believed various activities had no economic development potential. Results are detailed in Table 20.

Table 20. Perceptions of the Economic Development Potential of Various Outdoor Recreation Activities in North Dakota, Outdoor Recreation-related Businesses, 2003

Activities	Average Score ¹	No Potential	-----	Some Potential	-----	Great Potential
			-----percent-----			
Birding, wildlife viewing, interpretive nature tours	3.6	7.8	6.7	34.6	22.9	27.9
Off-road activities (hiking, biking, skiing, wilderness/adventure tours)	3.4	7.3	12.3	30.7	28.5	21.2
Off-road motor sports (snowmobiles, ATVs, dirt bikes)	3.2	9.7	14.8	36.4	25.6	13.6
Water sports (canoeing, sailing, boating, water skiing, jet skis, etc.)	3.4	9.6	6.2	37.1	28.1	19.1
Hunting and fishing (waterfowl, upland, big game, fishing)	4.6	2.2	0.5	7.1	20.1	70.1
Working farm and ranch activities, farm tours, trail rides, corn maze, etc.	3.4	8.5	10.7	34.5	28.2	18.1
Fossil digs, interpretive tours, archaeological explorations	2.9	16.4	18.1	37.8	18.1	9.6
Heritage tours	3.0	14.1	17.5	32.2	22.0	14.1
(n) ²				(178)		

¹Average score based on a score from 1 to 5 where 1 is no potential and 5 is great potential.

²Average number of responses for each variable.

Respondents are generally positive about the current state and future potential of outdoor recreation-based tourism in the state. Over 75 percent of respondents agreed with the statement that outdoor recreation-related tourism enterprises offer both their local area and rural areas throughout the state economic development opportunities (Table 21). While 73 percent of respondents indicated that demand for their type of business had increased in the last three years, 64 percent indicated they needed more customers to operate at capacity. Three-quarters of respondents agreed there should be more promotion of the state as a tourism destination, and 60 percent disagreed with the statement that North Dakota has too few attractions to make tourism a viable economic development opportunity. Responses on the issues and attitudes section of the questionnaire are detailed in Table 21.

Key Findings

Businesses offering services and activities related to outdoor recreation are a relatively new phenomena in North Dakota. Eighty-five percent of businesses surveyed have started their business since 1990. The primary focus of outdoor recreation-related businesses was most frequently related to hunting and associated services. Services offered most frequently were 'lodging, meals, food and beverage services' and 'hunting-related services and activities.' While lodging was part of most outdoor recreation-related businesses, individual capacities were generally small. Sixty-five percent of respondents indicated capacities of 12 or fewer guests per night.

Respondents' outdoor recreation-related businesses were in most cases not the primary source of household income. For a majority of the respondents, income derived from their outdoor recreation-related business appeared to be supplemental. Only 14 percent indicated their outdoor recreation-related business was their primary source of household income. Gross and net income from the respondents' outdoor recreation-related business were consistent with that of supplemental income. Approximately half of the respondents indicated gross revenue of \$10,000 or less, and 36 percent indicated either zero net income or a net loss. Forty-two percent of respondents indicated net income from their outdoor recreation-related business was \$1 to \$10,000.

Most businesses are seasonal, although approximately one-third operated year round. Most do not have paid employees, but half of the respondents indicated their business utilized unpaid labor from family members. Those respondents utilizing unpaid labor from family members reported an average of 2.2 unpaid family members involved with the outdoor recreation-related business.

Respondents generally do not subcontract with other local businesses or cooperatively market their business. Roughly one-quarter indicated they subcontracted with another business or cooperatively marketed their business. This may indicate opportunities exist for businesses to work together to offer expanded goods and services and to maximize marketing efforts by working cooperatively.

Table 21. Issues and Attitudes Related to the Outdoor Recreation-related Tourism Sector, Outdoor Recreation-related Businesses, 2003

Issues	Average Score ¹	-----percent-----				
		Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
There should be more promotion of the State as a tourism destination.	4.2	5.1	1.7	17.2	23.2	52.5
Outdoor recreation-related tourism enterprises offer my local area economic development opportunities.	4.1	5.1	3.4	14.6	27.0	50.0
Outdoor recreation-related tourism enterprises offer rural areas throughout the state economic development opportunities.	4.2	4.5	2.8	14.6	22.5	55.6
Demand for my type of business has increased in the last three years.	4.0	5.6	3.9	18.4	32.4	39.7
I need more customers to operate at full capacity.	3.8	9.8	7.5	19.1	21.4	42.2
Regulatory, legal, or liability issues are constraints to my type of business	3.7	7.8	6.7	34.3	13.5	37.6
Uncertainty regarding limits on non-resident hunters has hurt my business.	3.7	15.2	2.8	25.3	9.0	47.7
Liability and/or comprehensive insurance is prohibitively expensive.	3.4	14.2	6.8	28.4	22.2	28.4
My business is seasonal and I would like to find other ways to attract customers throughout the year.	3.3	17.7	7.4	28.0	18.9	28.0
I am currently having trouble attracting new customers.	2.8	28.2	16.1	23.6	16.1	16.1
I am unable to secure financing for business development or expansion.	2.5	29.0	13.0	42.0	11.2	4.7
I am unable to purchase liability and/or comprehensive insurance/insurance is unavailable.	2.1	45.3	15.9	25.9	6.5	6.5
North Dakota has too few attractions to draw enough visitors to make tourism a viable economic development opportunity.	2.2	42.8	17.8	2.6	13.9	5.0
	(n) ²			(175)		

¹Average score based on a score from 1 to 5 where 1 is strongly disagree and 5 is strongly agree.

²Average number of responses for each variable.

While businesses that offered hunting activities more frequently utilized land for their business than other business types, land use was most frequently less than 1,500 acres of owned land (39 percent). Leased land was utilized less frequently than owned land for all business categories. Forty-four percent of hunting-related businesses indicated using zero leased land.

Total number of customer days increased from 113,567 in 2001 to 129,500 in 2002. Approximately half of the respondents indicated they believed customer days would increase again in 2003. Respondents also were generally optimistic about the economic development potential of outdoor recreation-related activities. A large majority of respondents indicated they perceived each of the various types of outdoor recreation activities listed had economic development potential. Ninety-seven percent indicated 'hunting and fishing activities' had economic development potential, and 85 percent indicated 'birding, wildlife viewing, and interpretive nature tours' and 'water sports such as canoeing, sailing, and water skiing' had economic development potential. A small minority of respondents—generally less than 10 percent—felt outdoor recreation activities had no economic development potential.

Respondent optimism was apparent in their responses to several questions related to current issues and respondents' attitudes. Over fifty percent of respondents strongly agree with the statement that outdoor recreation-related tourism enterprises offered their local area economic development opportunities, and 72 percent agree with the statement that demand for their type of business has increased in the last three years. A majority of respondents (61 percent) disagreed with the statement that North Dakota has too few attractions to make tourism a viable economic development opportunity.

Research Limitations and Need for Further Research

As stated in the introduction, this research represents the first attempt to describe the emerging nature-based and outdoor recreation-related tourism sector in North Dakota. As is often the case with initial research efforts, there are limitations to the research findings and the need for additional research is apparent. Initial research efforts can prompt additional study, and survey findings can be used to further refine research objectives and guide future efforts. Accordingly, a number of research limitations should be noted. Future research efforts will be required to address study limitations.

Because of the sensitive nature of financial information, many respondents did not complete the portion of the questionnaire detailing financial information. As a result of the limited number of responses from each study group, the potential for sampling error was substantial. Accordingly, the average gross and net revenues of the survey respondents represented too small a sample to make inferences about the larger population of outdoor recreation-related businesses.

The inability to identify with much certainty the type of business surveyed makes calculating an accurate response rate per study group difficult. For example, a respondent may have been part of the 'bed and breakfast' mailing list. However, the respondent indicated the primary focus of their business was 'full service hunting lodge and outfitter/guide service.' The returned questionnaire would accordingly be included in the response rate for 'bed and

breakfasts’ and not ‘hunting lodge and outfitter/guide service.’ This shortcoming only impacts the calculation of response rates; e.g., analyses done by business type were based on respondents’ characterization of their own business, not mailing list groups.

Lack of mailing lists and difficulty identifying all of the states’ outdoor recreation-related businesses also was challenging. Because so little was known about these businesses, identifying the businesses for survey purposes and creating a mailing list was difficult; no list of recreation-related businesses existed at the time of this study. While every effort was made to identify relevant businesses, the only known business listings were licensed guides and outfitters and licensed bed and breakfasts. Both lists were compiled from state licensing data. Because not all types of outdoor recreation-related businesses have state licensing requirements, a variety of methods were employed to identify outdoor recreation-related businesses that do not have specific state licensing requirements. While the most complete mailing list possible was developed, it is not possible to gauge the completeness of the list. Securing an accurate and comprehensive mailing list is not an uncommon challenge in preliminary research efforts like this one. Future research efforts will likely face similar obstacles, especially if the sector’s recent growth trend continues.

Statistically, the limited number of observations on specific activities within each general business type limits use of the data because the potential margin for error is too large. For example, the results reported in Appendix Tables A-1 to A-8 cannot be used to make inferences about the larger population; however, they can provide some insight into the current offerings of outdoor recreation-related enterprises. Too few observations regarding the number, type, and status of employees also makes inferences about employment difficult. Generally, in all instances where there were a small number of observations, caution should be exercised in interpreting the data.

Lack of observations also made generalizing financial data problematic. The potential for sampling error was too great to apply revenue and expenditure averages to the population based on survey estimates, especially for study groups with only a few enterprises such as ‘birding, agri-tourism, and fossil digs.’ Future study efforts may address this deficiency by taking a census of some of the smaller segments of the outdoor recreation-related tourism sector. Further data collection efforts are necessary to identify financial characteristics and determine the economic contribution of the sector.

Several pertinent issues surfaced toward the completion of the research effort. One such issue related to signs and state regulations related to signs. While collecting data on a related research effort, regulations and limitations related to signs was regularly cited as an issue. Future research efforts should incorporate this issue.

Future research efforts should also consider other types of outdoor recreational activities not included in this research effort. Historical, heritage, and ethnic attractions and festivals did not fit into the scope of this study which focused solely on for-profit business enterprises. Outdoor recreational activities and attractions managed or promoted by state and/or local government agencies or non-profit associations are part of the tourism sector and should be examined either separately or included in future research efforts. The economic development

potential of historic, heritage, and ethnic attractions and festivals should be recognized as part of North Dakota nature and outdoor recreation-related tourism sector.

Finally, this research effort addresses the supply side of outdoor recreation-related tourism only. A complete assessment of the economic development potential of outdoor recreation-related tourism should include input from the customer's perspective. Future research is needed to assess the perspectives of the consumers of both resident and non-resident consumers' outdoor recreation-related activities.

Conclusions

Outdoor recreation-related tourism represents a new and growing segment of North Dakota's tourism industry. Most enterprises are fairly recent ventures that do not represent a substantial part of most respondents' household income. New business start-ups have grown rapidly in recent years, and business owners are optimistic about the economic development potential of outdoor recreation-related services and activities.

This report represents the first effort to characterize businesses related to outdoor recreation, providing a snapshot of the sector. Outdoor recreation-related tourism is an emerging sector constantly changing with new business start-ups, expansions, and contractions. The sector, and businesses operating in the sector, could look very different in just a few years. In the meantime, the findings of this report will have provided entrepreneurs, policymakers, and economic development professionals a first look at the characteristics of the state's outdoor recreation-related tourism industry that will assist their efforts to continue to promote and develop what could become an increasingly important sector in the North Dakota economy.

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Appendix A – Tables

Appendix Table A-1. Wildlife Viewing, Birding, and Sightseeing Activities Offered by Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Wildlife Viewing, Birding, and/or Sightseeing Activities	18.7
(n)	(160)
Of those that offer wildlife viewing activities, what specific activities were offered:	
Guided birding, wildlife viewing, wildlife photography tours or trips	50.0
Transportation to and from viewing areas (included in guided tours/outings)	40.0
Other ¹	36.6
Guided tours/outings that include some or all necessary equipment	30.0
Food and/or beverages included in guided tours	23.3
Equipment rental (binoculars, blinds, etc.)	3.3
(n)	(30)

¹Other: Free self-guided birding tour booklet, gift shop, self/unguided viewing.

Appendix Table A-2. Fossil Digs, Archaeological Exploration, Historical Tours and Related Services, and Activities Offered by Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Fossil Digs, Archaeological Exploration, Historic Tours	4.4
(n)	(158)
Of those businesses that offer fossil digs, archaeological exploration, and/or historic tours, what specific activities and/or services were offered:	
Guided or supervised fossil digs and/or related activities	28.6
Unguided or unsupervised fossil digs and/or related activities	28.6
Interpretive tours related to archaeology, geology, paleontology	28.6
Transportation to and from tour or dig site	14.3
All equipment is included in guided tours	14.3
Guided tours of other historic sites	14.3
Other ¹	14.2
Equipment rental for fossil/archaeology digs	0.0
(n)	(7)

¹Other: Give directions for hikers to get to tepees.

Appendix Table A-3. Agriculture and/or Farm- and Ranch-related Activities Offered by Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Agriculture and/or Farm- and Ranch-related Activities	14.5
(n)	(165)
Of those businesses that offer agriculture and/or farm- and ranch-related activities, what specific activities and/or services were offered:	
Farm and/or ranch tours	37.5
Working farm/ranch experiences such as cattle roundup, calf branding, crop harvesting, etc.	37.5
Horseback rides, trail rides, sleigh or wagon rides	29.2
Horse boarding/stables	29.2
Direct sales of non-commodity farm or agricultural-related products or produce	16.7
Other ¹	16.7
Farm-related activities such as corn maze, pumpkin patch, u-pick produce	12.5
Petting zoo	8.3
(n)	(24)

¹Other: Choose and cut Christmas trees, musical entertainment, cultural diversity awareness weekends, tours of reindeer on a farm, guide hunts on private land.

Appendix Table A-4. Hunting-related Services and Activities Offered by Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Hunting-related Services and Activities	61.7
(n)	(175)
Of those businesses that offer hunting-related services and activities, what specific activities and/or services were offered:	
Guided upland bird hunting	57.4
Game cleaning (cleaning station and/or cleaning service), taxidermy, game processing, trophy care (caping, hide storage)	51.8
Guided waterfowl hunting	53.7
Shuttle service (transportation to and from airports, rail stations)	38.9
Guided big game hunting	39.8
Hunting package price includes all or some equipment	39.8
Offer packages with a combination of hunting activities	36.1
Fee hunting, upland birds (land access without guide service)	25.0
Game tracking and retrieval	25.0
Other guided hunting (prairie dog, rabbit, squirrel, furbearers, predators)	19.4
Dog training, kennels	19.4
Equipment rental	19.4
Target shooting, trap, skeet, and/or sporting clays	18.5
Fee hunting, big game (land access without guide service)	17.6
Fee hunting, waterfowl (land access without guide service)	16.7
Guided buffalo hunting	10.2
Hunting and/or fishing license sales	14.0
Other fee hunting (prairie dog, rabbit, squirrel, furbearers, predators)	9.3
Other ¹	9.2
(n)	(108)

¹Other: Provide directions/suggestions on where and how to hunt waterfowl, hunters camp in our RV park, package and ship game and wild meat seasonings.

Appendix Table A-5. Fishing and/or Water-related Services Offered by Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Fishing or Water-related Services and Activities	30.1
(n)	(176)
Of those businesses that offer fishing and water-related services and activities, what specific activities and/or services were offered:	
Guided open water fishing, including bait and tackle, electronics, boat and motor, life jackets, etc.	54.7
Fish cleaning service or fish cleaning station	49.1
Guided ice fishing including bait and tackle, electronics, ice house, ice auger, etc.	35.8
Shuttle service (transportation to and from airports, rail stations)	32.1
Offer packages with a combination of fishing and/or water-related activities	22.6
Fishing equipment sales (bait and tackle, other gear, electronics, etc.)	20.7
Hunting and/or fishing licenses	20.7
Gas and other marine supplies	20.7
Other ¹	20.7
Boat launch	17.0
Trophy care and/or storage, certified weigh station, taxidermy	15.1
Equipment rental for non-guided open water fishing, recreational boating, sailing (boats, motors, electronics, tackle, etc.)	11.3
Equipment rental for non-guided ice fishing (ice house, ice auger, electronics, tackle, etc.)	11.3
Boat slip rentals	7.6
(n)	(53)

¹Other: Sail charter, scuba equipment rental/training, underwater fishing/hunting/boat charters, give tips on where and how to fish, give directions to fishing lakes and recreational areas, shore fishing, canoe rental, some boat rides.

Appendix Table A-6. Hiking, Biking, Winter Activities, and/or Water Sports-related Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Hiking, Biking, Winter Activities, and/or Water Sports	16.4
(n)	(165)
Of those businesses that offer hiking, biking, winter activities, and/or water sports-related services and activities, what specific activities and/or services are offered:	
Off-road trails for hiking, biking, cross-country skiing, snowmobiling, ATVs, downhill skiing and/or snowshoeing on either public or private lands	70.4
Boat ramp, swimming area, picnic area, and/or amenities related to water sports	33.3
Equipment rentals for water sports such as canoe, kayak, pontoon boat, sailboat, jet skis, etc.	14.8
Equipment rental for off-road activities such as mountain bikes, snowmobiles, skis and boots, ATVs, etc.	11.1
Other ¹	3.7
(n)	(27)

¹Other: Guests go hiking as they desire, RV park and motel, aqua jump.

Appendix Table A-7. Lodging, Meals, Food and Beverage Services Offered by Outdoor Recreation-related Businesses, 2003

Type of Service Provided	--percent--
Lodging, Meals, Food and Beverage Services	70.9
(n)	(182)
Of those businesses that offer lodging, meals, food and beverage services and activities, what services were offered:	
Lodging (bed and breakfast, guest house, cabin rentals, etc.) with some or all meals and outdoor recreation-related services or activities	36.4
Campsites with hook-ups for water and/or electricity, either with or without other services (bath house, etc.)	27.3
Lodging (guest house or cabins) only with no meals or recreational services	22.5
Primitive campsites with or without limited services	18.6
Meals available at on-site restaurant or lounge or meals are part of outdoor recreation package	16.3
Lodging (bed and breakfast, guest house, cabin rentals, etc.) with some or all meals but no recreational services	16.3
Motel/hotel rooms only	9.3
Convenience store items, snacks, etc.	7.7
Other ¹	4.6
(n)	(129)

¹Other: Bunkhouse, luxury cabin, laundry room, free breakfast.

Appendix Table A-8. Types of Services and Activities Offered by Primary Business Focus, Outdoor Recreation-related Businesses, 2003

Business type	Type of Service or Activity						
	Wildlife viewing	Fossil digs	Farm and ranch activities	Hunting-related activities	Fishing-related activities	Hiking, biking, winter or water sports	Lodging, meals, food & beverage
	-----percent of respondents ¹ -----						
Birding, working farm, fossil digs (n)	70.0 (10)	12.5 (8)	66.6 (12)	20.0 (10)	20.0 (10)	11.1 (9)	30.0 (10)
Hunting (n)	15.5 (71)	2.7 (72)	8.0 (75)	97.6 (85)	19.2 (78)	6.5 (76)	69.5 (82)
Fishing and/or Resorts (n)	14.3 (21)	0.0 21	4.8 (21)	38.0 (21)	88.5 (26)	22.7 (22)	43.5 (23)
Campgrounds (n)	11.8 (17)	0.0 (17)	5.9 (17)	11.8 (17)	26.3 (19)	17.6 (17)	100.0 (20)
Bed and Breakfasts (n)	11.1 (27)	7.7 (26)	16.0 (25)	22.2 (27)	11.1 (27)	26.9 (26)	100.0 (31)
Other (n)	33.3 (12)	16.7 (12)	30.8 (13)	46.1 (13)	35.7 (14)	46.1 (13)	57.1 (14)

¹Does not add to total of 100 percent because of multiple responses.

Appendix Table A-9. North Dakota Outdoor Recreation-related Businesses, Customer Characteristics, 2003

Customer Residency	--average---	Percentage of Customer Base				
		None	1 to 25	26 to 50	51 to 75	76 or more
		-----percent of respondents-----				
Local Residents	10.8	57.0	30.2	6.1	3.9	2.3
ND residents from elsewhere in the state	18.6	32.4	43.6	14	5.6	4.5
Non-residents from adjacent states	22.8	27.9	39.7	22.3	6.1	3.9
Non-residents from elsewhere in U.S.	46.2	16.2	21.8	22.3	11.2	28.5
Other (Canada, other international)	1.6	87.4	12.8	0.0	0.0	0.0
(n)	(179)			(179)		
Type of group						
Individuals	39.6	18.2	34.2	11.6	11.0	24.9
Couples	18.8	37.4	39.0	13.7	3.8	6.0
Family groups	14.6	42.9	39.6	11	2.2	4.4
Non-family groups	27.0	46.7	20.3	7.7	8.2	17
(n)	(181)			(181)		

APPENDIX B – THE SURVEY

**EVALUATING THE ECONOMIC
DEVELOPMENT POTENTIAL
OF
AGRICULTURE AND NATURAL RESOURCE-BASED
TOURISM IN NORTH DAKOTA**

**A SURVEY OF OUTDOOR RECREATION
RELATED ENTERPRISES**

May 2003

**Department of Agribusiness and Applied Economics
North Dakota State University
Fargo, North Dakota 58105-5636**

TYPE OF ENTERPRISE

Please answer the following questions pertaining to your outdoor recreation related business and the types of services you provide.

1. Which one of the following best describes your outdoor recreation related business? Even if your business falls into more than one category, please choose the category that describes the primary focus of your outdoor recreation related business.

PLEASE CHECK ONLY ONE.

- a. _____ ***Birding, wildlife viewing, nature tours.*** Guided tours with species identification, habitat information, viewing assistance, and/or other support to people viewing or photographing birds, wild animals, scenic areas, or other related activities.

- b. _____ ***Fossil digs, archaeological expeditions, historical tours.*** Guided tours to fossil sites, fossil digs, historic tours, and/or other hands-on outdoor activities related to paleontology, geology, archaeology, and/or regional history.

- c. _____ ***Working farm/ranch, dude/guest ranch, farm/agriculture based entertainment.*** Farm and ranch based activities such as cattle drives or branding, farm tours, trail rides, sleigh or wagon rides, corn maze, pumpkin patch, petting zoo, u-pick produce, or other agricultural-based recreation either with or without lodging and/or meals.

- d. _____ ***Full-service Hunting Lodge and Outfitter/Guide Service.*** Provide hunting guide/outfitter services and some combination of lodging, meals, transportation, and/or other related services.

- e. _____ ***Limited-service Hunting Guide/Outfitter.*** Provide hunting guide/outfitter services **only**. Do not provide lodging, meals, transportation, or other related services.

- f. _____ ***Fee Hunting/Lease Hunting.*** Provide land access for a fee or lease **only**. Do not provide other services such as guiding or outfitting, lodging, meals, game processing, transportation, or other related services.

- g. _____ ***Game Farm/Hunting Preserve.*** Provide guided or unguided hunting for released or pen-raised birds, high fence enclosure hunts for big game (e.g., buffalo, elk), either with or without lodging, meals, or other services.

- h. _____ ***Fishing Guide Service.*** Provide fishing guide services and/or equipment rental for open water and/or ice fishing **only**. Do not provide other services such as lodging, meals, or other related services.

TYPE OF ENTERPRISE (Cont'd)

1. Which one of the following best describes your outdoor recreation related business?
(Cont'd from page 2)
- i. _____ **Full-service Resort/Marina.** Provide a wide array of services including, but not limited to, guided and/or unguided fishing and/or hunting, birding, wildlife viewing, snowmobiling, and/or other outdoor recreational activities, **and** provide some combination of other services such as lodging, food and beverage, equipment rentals (boats, motors, ice house, mountain bikes, canoes, skis, etc.), cleaning station, bait and tackle sales, convenience items, boat launch, swimming beach, marina, boat slips, etc.
 - j. _____ **Campground/Limited Service Resort/Marina.** Provide basic overnight camping (either primitive or with RV hook-ups and/or cabin rentals) with some services such as bath house, boat ramp, cleaning station, bait and tackle sales, convenience items, etc.
 - k. _____ **Bed and Breakfast/Lodging only.** Provide lodging **only**, such as a bed and breakfast or hotel/motel. Do not provide any outdoor recreation related services.
 - l. _____ **Equipment Rental only.** Rent sporting goods such as kayaks, canoes, bicycles, sail boats, ski equipment, etc. Do not provide any lodging or other services.
 - m. _____ **Other.** (Please describe the nature of the business). _____

TYPE OF SERVICES PROVIDED

A wide variety of outdoor-related recreation services have been divided into several categories. PLEASE CHECK **All** THOSE ACTIVITIES THAT YOU OFFER TO YOUR CUSTOMERS REGARDLESS OF WHETHER OR NOT THE ACTIVITY IS A MAJOR PART OF YOUR BUSINESS. If you **do not** offer any activities in a particular category of services, please check option "a" (I do not offer that activity) and go to the next question.

2. WILDLIFE VIEWING, BIRDING, AND/OR SIGHT SEEING ACTIVITIES

- a. _____ I do not offer birding or wildlife viewing activities. **Please go to Question 3.**
- b. _____ Guided birding, wildlife viewing, wildlife photography tours or trips
- c. _____ Equipment rental (binoculars, blinds, etc.)
- d. _____ Guided tours/outings that include some or all necessary equipment
- e. _____ Transportation to and from viewing areas included in guided tours/outings
- f. _____ Food and/or beverages included in guided tours
- g. _____ Other (Please specify.) _____

TYPE OF SERVICES PROVIDED (Cont'd)

3. FOSSIL DIGS, ARCHAEOLOGICAL EXPLORATION, HISTORICAL TOURS

- a. _____ I do not offer any services or activities related to fossils, archaeology, or historical tours. **Please go to Question 4.**
- b. _____ Guided or supervised fossil digs and/or related activities
- c. _____ Unguided or unsupervised fossil digs and/or related activities
- d. _____ Interpretive tours related to archaeology, geology, paleontology
- e. _____ Transportation to and from tour or dig site is included in activities
- f. _____ Equipment rental for fossil/archaeology digs
- g. _____ All equipment is included in guided tours
- h. _____ Guided tours of other historical sites
- i. _____ Other (Please specify.) _____

4. AGRICULTURE AND/OR FARM AND RANCH RELATED ACTIVITIES

- a. _____ I do not offer any agriculture and/or farm and ranch related activities. **Please go to Question 5.**
- b. _____ Horseback rides, trail rides, sleigh or wagon rides
- c. _____ Farm related activities such as corn maze, pumpkin patch, u-pick produce, etc.
- d. _____ Farm and/or ranch tours
- e. _____ Working farm/ranch experiences such as cattle roundup, calf branding, crop harvesting, etc.
- f. _____ Horse boarding, stables
- g. _____ Petting zoo
- h. _____ Direct sales of noncommodity farm or agricultural related products or produce
- i. _____ Other (Please specify.) _____

5. HUNTING RELATED SERVICES AND ACTIVITIES

- a. _____ I do not offer any hunting related activities. **Please go to Question 6.**
- b. _____ Guided upland bird hunting
- c. _____ Guided waterfowl hunting
- d. _____ Guided big game hunting (firearm and/or archery deer, antelope, elk, moose, or bighorn sheep)
- e. _____ Guided buffalo hunting
- f. _____ Other guided hunting (prairie dog, rabbit, squirrel, furbearers, predators)
- g. _____ Fee hunting, upland birds (land access without guide service)
- h. _____ Fee hunting, waterfowl (land access without guide service)
- i. _____ Fee hunting, big game (land access without guide service)
- j. _____ Other fee hunting (prairie dog, rabbit, squirrel, furbearers, predators)

TYPE OF SERVICES PROVIDED (Cont'd)

5. HUNTING RELATED SERVICES AND ACTIVITIES (Cont'd)

- k. _____ Shuttle service (transportation to and from airports, rail stations)
- l. _____ Equipment rental (waders, decoys, tree stands, four-wheelers, optics, etc.)
- m. _____ Hunting package price includes all or some equipment
- n. _____ Offer packages with a combination of hunting activities
- o. _____ Game cleaning (cleaning station and/or cleaning service), taxidermy, game processing, trophy care (such as capping and/or hide storage)
- p. _____ Game tracking and retrieval
- q. _____ Target shooting, trap, skeet, and/or sporting clays
- r. _____ Dog training, kennels
- s. _____ Hunting and/or fishing license sales
- t. _____ Other (Please specify.) _____

6. FISHING AND/OR WATER RELATED SERVICES AND ACTIVITIES

- a. _____ I do not offer any fishing or water related activities. **Please go to Question 7.**
- b. _____ Guided open water fishing, including bait and tackle, electronics, boat and motor, life jackets, etc.
- c. _____ Equipment rental for non-guided open water fishing, recreational boating, or sailing (boats and motors, electronics, tackle, etc.)
- d. _____ Guided ice fishing including bait and tackle, electronics, ice house, ice auger, etc.
- e. _____ Equipment rental for non-guided ice fishing (ice house, ice auger, electronics, tackle, etc.)
- f. _____ Fishing equipment sales (bait and tackle, other gear, electronics, etc.)
- g. _____ Trophy care and/or storage, certified weigh station, taxidermy
- h. _____ Fish cleaning service or fish cleaning station
- i. _____ Shuttle service (transportation to and from airports, rail stations)
- j. _____ Boat launch
- k. _____ Boat slip rentals
- l. _____ Gas and other marine supplies
- m. _____ Offer packages with a combination of fishing and/or water related activities
- n. _____ Hunting and/or fishing license sales
- o. _____ Other (Please specify.) _____

TYPE OF SERVICES PROVIDED (Cont'd)

7. HIKING, BIKING, WINTER ACTIVITIES, AND/OR WATER SPORTS

- a. _____ I do not offer activities related to hiking, biking, winter, or water sports. **Please go to Question 8.**
- b. _____ Off road trails for hiking, mountain biking, cross country skiing, snowmobiling, ATVs, downhill skiing and/or snow shoeing on either public or private lands.
- c. _____ Equipment rental for off road activities such as mountain bikes, snowmobiles, skis and boots, ATVs, etc.
- d. _____ Equipment rentals for water sports such as canoe, kayak, pontoon boat, sailboat, jet skis, etc.
- e. _____ Boat ramp, swimming area, picnic area, and/or other amenities related to water sports
- f. _____ Other amenities related to off-road activities (Please specify.) _____
- g. _____ Other (Please specify.) _____

8. LODGING, MEALS, FOOD AND BEVERAGE

- a. _____ I do not offer lodging, meals, or food and beverage. **Please go to Question 9.**
- b. _____ Lodging such as guest house or cabin(s) **only**, no meals or outdoor recreation related services or activities
- c. _____ Lodging such as bed and breakfast, guest house, or cabin rentals with some or all meals included, but **no** outdoor recreation related activities or services
- d. _____ Lodging such as bed and breakfast, guest house, or cabin rentals with some or all meals **and** outdoor recreation related services or activities such as fishing, hunting, farm activities, etc.
- e. _____ Motel/hotel rooms only either with or without free continental breakfast
- f. _____ Meals are available at an on-site restaurant or lounge or meals are a part of outdoor recreation package (e.g., lunch included as part of recreation package)
- g. _____ Campsites with hook-ups for water and/or electricity, either with or without other limited services such as a bath house
- h. _____ Primitive campsites with or without limited services such as bath house
- i. _____ Convenience store items, snacks, etc.
- j. _____ Other (Please specify.) _____

TYPE OF SERVICES PROVIDED (Cont'd)

8. LODGING, MEALS, FOOD AND BEVERAGE (Cont'd)

If you checked any of the previous lodging services, please indicate your maximum capacity for overnight guests, for your type of lodging. Please enter "0" if you do not offer a particular type of lodging.

- (1) Number of primitive campsites _____
- (2) Number of campsites with hook-ups _____
- (3) Number of hotel/motel rooms _____
- (4) Number of cabins or guest houses _____
If you have cabin(s) or a guest house(s),
what is the maximum number of overnight
guests you can accommodate? (Please estimate _____
the number of total guests for all accommodations
if you have more than 1 cabin or lodge.)

BUSINESS CHARACTERISTICS

Please answer the following questions about the characteristics of your outdoor recreation related business.

9. What is your primary source of income? (*Please check only one.*)

- a. _____ My outdoor recreation related business
- b. _____ My farm and/or ranch
- c. _____ My business that is not related to outdoor recreation
- d. _____ Salary/wages from a firm, business, or other private entity
- e. _____ Salary/wages from either the county, state, or federal government, state university, local school district or other public entity
- f. _____ Retirement or investment income
- g. _____ Other (Please specify.) _____

10. What percentage of your annual household income comes from your outdoor recreation related business? _____ %

BUSINESS CHARACTERISTICS (Cont'd)

11. Does your outdoor recreation related business have any paid employees?

(Please circle yes or no.) **YES**

NO

If Yes, how many of each type of employee does your outdoor recreation related business employ?

If No, please go to Question 12.

Please enter the number of employees for each category.

_____ Full-time, year round employees.

_____ Part-time year round employees. *What is the average number of hours worked per week per employee?*
_____ hours/week.

_____ Full-time seasonal employees. *What is the average number of months worked per year per employee?* _____ months/year.

_____ Part-time seasonal employees. *What is the average number of months worked per year per employee? What is the average number of hours worked per week per employee?* _____ months/year.
_____ hours/week.

12. Are there any unpaid family members involved with your outdoor recreation related business?

(Please circle yes or no.) **YES**

NO

If Yes, how many unpaid family members are involved with the business?

If No, please go to Question 13.

BUSINESS CHARACTERISTICS (Cont'd)

13. Do you subcontract with any other businesses and/or individuals to provide goods and/or services for your customers that you do not provide?

(Please circle yes or no.)

YES

NO

If Yes, for each of the business types listed below, with how many businesses or individuals do you subcontract. **Include only those services that you subcontract for your customers and are part of your total customer package. Do not include businesses that your customers patronize on their own.**

If No, go to Question 14

PLEASE ENTER THE NUMBER OF BUSINESSES

- _____ Lodging (i.e., hotel, motel, cabin, guest house, campsites, etc.)
- _____ Meals, food, and beverage (i.e., individuals or local restaurants to cater or prepare meals)
- _____ Transportation (i.e., shuttle service to and from airports, train depots, etc.)
- _____ Guides (i.e., fishing or hunting guides, interpretive tour guides, trail ride guides, etc.)
- _____ Equipment rentals (i.e., bikes, canoes, boats, hunting equipment)
- _____ Game cleaning or processing
- _____ Other (Please specify.) _____

14. Do you cooperatively market your business with other outdoor recreation related businesses in your area?

(Please circle yes or no.) **YES**

NO

If Yes, what kind of business do you co-op with?

If No, please go to Question 15.

1. _____
2. _____
3. _____

BUSINESS CHARACTERISTICS (Cont'd)

15. In what months of the year do you operate your business? *(Please check all that apply.)*

<input type="checkbox"/> Year round	<input type="checkbox"/> April	<input type="checkbox"/> July	<input type="checkbox"/> October
<input type="checkbox"/> January	<input type="checkbox"/> May	<input type="checkbox"/> August	<input type="checkbox"/> November
<input type="checkbox"/> February	<input type="checkbox"/> June	<input type="checkbox"/> September	<input type="checkbox"/> December
<input type="checkbox"/> March			

16. What year did you establish your business? _____

17. In what county is your business? If your business operates in more than one county, in which counties do you do a majority of your business?

- 1. _____
- 2. _____
- 3. _____

18. How many acres of land do you have access to for your outdoor recreation related business? If this does not apply to your business, please check "does not apply to my business" and go to question 20.

_____ Does not apply (**Go to Question 20.**)

acres of owned land acres of leased land acres of public land

19. How has the amount of land used in your outdoor recreation related business changed in the last three years?

no change _____ decreased by _____% increased by _____%

CUSTOMER CHARACTERISTICS

Please answer the following questions about your customers' characteristics.

20. Please estimate approximately how many paying customers you have had in the last three years? Please express the estimate in customer days.

FOR EXAMPLE, TWO INDIVIDUALS THAT PARTICIPATE IN AN ACTIVITY OR UTILIZED A SERVICE YOU PROVIDE FOR THREE DAYS WOULD REPRESENT SIX CUSTOMER DAYS.

(2 individuals x 3 days = 6 customer days)

_____ customer days in 2000 _____ customer days in 2001 _____ customer days in 2002

21. What do you predict will be the change in the number of customer days from 2002 to 2003?

increase by _____ % decrease by _____ % _____ no change

22. In the next year do you plan to? *(Please check all that apply.)*

- _____ expand your current operation
 - _____ renovate any portion of your operation
 - _____ add more services and/or activities
 - _____ close or sell your outdoor recreation related business operation
 - _____ other (Please specify.) _____
-

23. What portion of your customers are:

- _____ % local residents
 - _____ % North Dakota residents from elsewhere in the state
 - _____ % non-residents from adjacent states (MN, SD, MT)
 - _____ % non-residents from elsewhere in the United States
 - _____ % Canada residents
 - _____ % other International residents
 - 100 %
-

24. What portion of your customers are:

- _____ % individuals
- _____ % couples
- _____ % family groups with children
- _____ % non-family groups (friends, corporate sponsored groups, clubs, associations)
- 100 %

BUSINESS OPERATIONS, MARKETING, AND EXPANSION

Please answer the following questions regarding constraints to growth and the type of information that would be most useful to you in operating and/or expanding your outdoor recreation related business.

25. What type of information or technical assistance would be helpful to you? Please rate each item on scale of 1 to 5 with 1 being *not helpful* and 5 being *very helpful*.

	Not Helpful		Neutral		Very Helpful
Business and/or financial management; strategic planning	1	2	3	4	5
Marketing/advertising	1	2	3	4	5
Legal (insurance, liability, contracts, state/local regulations)	1	2	3	4	5
Habitat/land management and improvement	1	2	3	4	5
Personnel management/guest relations	1	2	3	4	5
Industry trends and updates	1	2	3	4	5
Web site design, internet applications	1	2	3	4	5
Other (Please specify.) _____	1	2	3	4	5

26. Do you purchase or utilize the following types of advertising? Please rate each type of advertising that you use on a scale of 1 to 5 with 1 being *not effective* and 5 being *very effective*.

	Please Circle One		Not Effective	Neutral		Very Effective	
Web site	YES	NO	1	2	3	4	5
Brochure or pamphlet	YES	NO	1	2	3	4	5
Printed media (newspaper, magazine)	YES	NO	1	2	3	4	5
Trade publications	YES	NO	1	2	3	4	5
Television or radio	YES	NO	1	2	3	4	5
Trade shows	YES	NO	1	2	3	4	5
State agency publications (Tourism, Game & Fish, etc.)	YES	NO	1	2	3	4	5

BUSINESS OPERATIONS, MARKETING AND EXPANSION (Cont'd)

26. Do you purchase or utilize the following types of advertising? (Cont'd)

	Please Circle One		Not Effective		Neutral		Very Effective	
	YES	NO	1	2	3	4	5	
Chamber of Commerce/CVB publications	YES	NO	1	2	3	4	5	
Word of mouth/references from past or current customers	YES	NO	1	2	3	4	5	
Other (Please specify.) _____	YES	NO	1	2	3	4	5	

27. Please rate the following nature-based activities in terms of their economic development potential in the state of North Dakota on a scale of 1 to 5, where 1 is *no potential* and 5 is *great potential*.

	No Potential		Some Potential		Great Potential	
	1	2	3	4	5	
Birding, wildlife viewing, interpretive nature tours	1	2	3	4	5	
Off road activities (hiking, biking, skiing, wilderness/adventure tours)	1	2	3	4	5	
Off-road motor sports (snowmobiles, ATVs, dirt bikes, etc.)	1	2	3	4	5	
Water sports (canoeing, sailing, boating, water skiing, jet skis, etc.)	1	2	3	4	5	
Hunting and fishing (waterfowl, upland, big game, open water and/or ice fishing)	1	2	3	4	5	
Working farm and ranch activities, farm tours, trail rides, corn maze, etc.	1	2	3	4	5	
Fossil digs, interpretive tours, archaeological explorations	1	2	3	4	5	
Heritage tours	1	2	3	4	5	
Other (Please specify.) _____	1	2	3	4	5	

FINANCIAL CHARACTERISTICS

We would now like to ask you a few questions about the financial characteristics of your outdoor recreation related business. If you are in a partnership or corporation, please answer for the entire entity and not just for your share.

YOUR RESPONSES WILL BE AVERAGED WITH ALL OTHER RESPONSES AND USED TO CALCULATE THE ECONOMIC CONTRIBUTION OF OUTDOOR RECREATION RELATED BUSINESSES IN NORTH DAKOTA. PLEASE BE ASSURED THAT YOUR INDIVIDUAL RESPONSE WILL BE KEPT STRICTLY CONFIDENTIAL.

28. What was the gross revenue from your outdoor recreation related enterprise in 2002?

\$ _____ (This corresponds to line 1 of schedule C, Form 1040)

29. What was your net profit (or loss) from your recreational enterprise in 2002?

\$ _____ (Line 31, Schedule C, Form 1040)

30. What were your 2002 business expenses within North Dakota, in the following categories?

\$ _____ Wages, salaries for full and part-time employees

\$ _____ Worker benefits (e.g., health insurance, workman's compensation, unemployment insurance)

\$ _____ Payments to independent contractors (e.g., restaurants, hotels, guides)

\$ _____ Lease/access payments for land to landowners, other property owners

\$ _____ Advertising (printed media, web site design, pamphlets, etc.)

\$ _____ Capital expenditures (land, new structures, improvements to existing structures, etc.)

\$ _____ Equipment purchases (trucks, ATVs, decoys, boats, tables, chairs, computers, etc.)

\$ _____ General supplies (food, bait, office supplies, etc.)

FINANCIAL CHARACTERISTICS (Cont'd)

30. (Cont'd) What were your 2002 business expenses within North Dakota?
- \$ _____ Animal expenditures (horse or dog expenses, winter feed, food and coverplots, purchase and care of pen-raised game birds, etc.)
- \$ _____ Transportation (gas, oil, vehicle maintenance, etc.)
- \$ _____ Utilities (electricity, water, telephone, cell phone, internet access, etc.)
- \$ _____ Insurance/financing (liability insurance, vehicle/equipment insurance, interest expense, etc.)
- \$ _____ Licensing fees
- \$ _____ Property tax
- \$ _____ Other (Please specify.) _____

31. Did you have any expenditures or purchases outside the state of North Dakota?

(Please circle yes or no.) YES

NO

If Yes, what were your total expenditures outside North Dakota in 2002? \$ _____

If No, go to Question 32.

ISSUES AND ATTITUDES

Please rate each of the following statements on issues related to your outdoor recreation related business and the outdoor recreation related sector in North Dakota.

32. Please indicate whether you agree or disagree with each of the following statements, where 1 is *strongly disagree* and 5 is *strongly agree*.

	Strongly Disagree	Neither Agree or Disagree	Strongly Agree		
Regulatory, legal, or liability issues are constraints to my type of business.	1	2	3	4	5
I am unable to secure financing for business development or expansion.	1	2	3	4	5
I am currently having trouble attracting new customers.	1	2	3	4	5

ISSUES AND ATTITUDES (Cont'd)

32. (Cont'd) Please indicate whether you agree or disagree with each of the following statements, where 1 is *strongly disagree* and 5 is *strongly agree*.

	Strongly Disagree		Neither Agree or Disagree		Strongly Agree
I need more customers to operate at full capacity.	1	2	3	4	5
My business is seasonal and I would like to find other ways to attract customers throughout the year.	1	2	3	4	5
There should be more promotion of the State as a tourism destination.	1	2	3	4	5
Uncertainty regarding limits on non-resident hunters has hurt my business.	1	2	3	4	5
Demand for my type of business has increased in the last three years.	1	2	3	4	5
Outdoor recreation related tourism enterprises offer my local area economic development opportunities.	1	2	3	4	5
Outdoor recreation related tourism enterprises offer rural areas throughout the state economic development opportunities.	1	2	3	4	5
I am unable to purchase liability and/or comprehensive insurance/insurance is unavailable.	1	2	3	4	5
Liability and/or comprehensive insurance is prohibitively expensive	1	3	3	4	5
North Dakota has too few attractions to draw enough visitors to make tourism a viable economic development opportunity.	1	2	3	4	5

RESPONDENT CHARACTERISTICS

Following are a few general questions about you. Responses to these questions enable attitude and perception comparisons based on respondent characteristics.

PLEASE BE ASSURED THAT YOUR RESPONSES WILL BE KEPT STRICTLY CONFIDENTIAL

33. What is your age? _____

34. Which of the following categories best describes the highest level of education you have completed? (*Please select one.*)

- _____ Grade School
 - _____ Some High School
 - _____ High School Diploma
 - _____ Some College
 - _____ College Degree
 - _____ Advanced Degree (Masters Degree, PhD, JD, etc.)
-

35. What is your net household income?

- a. _____ less than \$15,000
 - b. _____ \$15,001 - \$25,000
 - c. _____ \$25,001 - \$35,000
 - d. _____ \$35,001 - \$50,000
 - e. _____ \$50,001 - \$75,000
 - f. _____ \$75,001 - \$100,000
 - g. _____ over \$100,000
-

36. In what county do you live? _____

37. How long have you lived in your county of residence? _____ years

38. Would you be willing to participate in a focus group discussion that would provide a more in-depth examination of outdoor based recreation and tourism in North Dakota?

A Focus Group meeting allows researchers to solicit opinions from participants on issues that may be difficult to address using surveys or other data collection methods. These meetings would involve one or more researchers meeting with 8 to 12 individuals in various locations throughout the state.

(Please circle yes or no.) YES

NO

If Yes, who should we contact at your business?

Name: _____

Phone: _____

E-mail: _____

If No, please go to Question 39.

39. Would you be willing to share a mailing list of your customers so we may survey them in order to determine demand for services, customer satisfaction, etc. for nature based tourism in North Dakota?

(Please circle yes or no.) YES

NO

If Yes, who should we contact at your business?

Name: _____

Phone: _____

E-mail: _____

If No, please go to last page.

Please feel free to offer any additional thoughts or comments you may have regarding outdoor recreation related tourism and/or recreation related businesses. This is your opportunity to address any issues not covered in this questionnaire. Your response is critical to this research effort and your responses will be kept strictly confidential. Thank you for completing this questionnaire.

Comments:

Thank you for completing this questionnaire. Your cooperation is sincerely appreciated.

Please return the questionnaire in the enclosed postpaid envelope.

For a copy of study results, please provide your name and mailing address below or you may contact the Department of Agribusiness and Applied Economics at North Dakota State University in Fargo, ND Phone 701-231-7441, Fax 701-231-7400 or e-mail: nhodur@ndsuent.nodak.edu or visit our departmental listing of research reports on the world wide web at <http://agecon.lib.umn.edu/ndus.html>

We anticipate a final report will be available to the public in last half of 2003.