



Case Study Villages of Van Buren, Inc.

Van Buren County, Iowa
Stacey Glandon, Executive Director

The Villages of Van Buren, Inc. provide an example of the successful application of e-commerce to promote tourism and local economic development in a sparsely populated rural area. The Villages' e-commerce activities are the result of cooperation and joint efforts among 12 small towns and numerous businesses in Van Buren County, Iowa. The cost of providing this award-winning tourism promotion program is relatively low as a result of volunteer support for Web site design and maintenance and financial support from the local Internet provider. The Villages of Van Buren tourism promotion efforts resulted in significant tourist visits and revitalization of many of the county's small communities.

Profile

The Villages of Van Buren, Inc. (VVB) is a 501 C4 nonprofit organization established to "coordinate and promote activities directed toward improving economic conditions of all areas of Van Buren County, Iowa" (VVB Mission Statement). Van Buren County consists of 12 historic villages located near or along the Des Moines River in the picturesque rolling hills of Southeast Iowa. The county also is home to numerous Amish and Mennonite communities. Keosauqua, the county seat, is the largest of the villages with an estimated 2003 population of 1,084.

The Villages of Van Buren undertake efforts to facilitate intercommunity cooperation and initiatives in tourism, community, and business development. The VVB promote area tourism through marketing campaigns and an extensive schedule of events and festivals such as barn tours, canoe trips, bike tours, field days, and arts and crafts fairs. Tourists also are attracted to the county by the opportunities to participate in outdoor recreational activities; to visit arts, crafts, antique shops, and historic sites; and to enjoy charming restaurants, lodges, and bed and breakfasts. The VVB has an annual budget of approximately \$120,000 that is provided by an endowment, corporate sponsors, the County of Van Buren, grants, fees from events/tours/promotions, and dues from association members.

History

The Villages of Van Buren are an outgrowth of the Van Buren Development Corporation, an organization of business and community leaders founded in the early 1970s to promote economic development in Keosauqua. The Development Corporation initiated an ad hoc committee for tourism development in Keosauqua. It became evident to the committee that no one village in Van Buren County had sufficient activities to attract tourists, yet a cooperative effort among the 12 villages would provide the critical mass necessary for a tourism destination. The VVB were established in the late 1970s as a "marketing umbrella" for the 12 villages and as a consulting organization to assist community leaders identify sources of grant funding and prepare grant proposals.

The identification of external sources of funding was critical to the success of the tourism program since many of the historical buildings in the county were in a state of disrepair in the 1970s. Initial funding for VVB was provided through an endowment established by a local philanthropist (The Van Buren Foundation) with later financial support from public and business sources. The VVB has employed a full-time director for the last 30 years.

Activities at VVB expanded over time from marketing and grantsmanship to the development of the www.800-tourvbc.com and the planning and hosting of numerous events and tours. The VVB programs resulted in increased tourism expenditures over time, and 2005 expenditures were estimated at \$4.16 million by the Iowa Tourism Office.

Year of origin: **1995**
Area Population: **1,084**
Web site:
www.800-tourvbc.com



Business Location

Van Buren County (2000 population 7,809) is located in the southeastern corner of the state, bordered to the south by Missouri. The county is located 134 miles from the state capitol of Des Moines.

Role of e-Commerce

The VVB's Web site was developed in 1995 by, Rich Lowe, retired businessman and local resident. Today, he continues to design the original site, provides updates to the site, and maintains the server for the site. Lowe also has assisted area businesses and the 12 villages in the county with the development of their Web sites so that they would be consistent, attractive, and easy to use. In addition, classes were available at Indian Hills Community College to assist those desiring to upgrade their computer skills. High speed Internet service became available in the county in 1995, and the VVB and numerous local businesses subscribe to this service.

The VVB's Web site includes an extensive travel guide and a calendar of events with links to Web pages for many of the festivals or events (e.g. Barn Tour, Bike Van Buren, Canoe Van Buren). In addition, the Web site provides information on recreational opportunities in the county (e.g. state and local parks, hunting areas, fishing lakes); directories of local businesses and industries; links to the web sites of the 12 villages in the county; and information on lodging accommodations in the county including cottages, cabins, inns and B&B's. Preferred or Level A members (\$175.00/year) are listed on the VVB Web site with a link to the businesses Web site plus the preferred members are included in the printed visitor's guide and membership directory. The VVB Web site received approximately 150,000 visits in 2006.

The VVB's Web site is the primary marketing tool for the county, and reliance on the Web site significantly reduces the costs of printing and distributing visitors' guides. Visitors' brochures continue to be printed by the VVB for distribution at state hotels, travel shows, and Iowa visitor's centers, but the number of brochures needed has been reduced significantly. The VVB's Web site and brochure were honored at the 2004 Iowa Tourism Conference with the awards for the best Web site and consumer brochure for areas and towns with a population less than 10,000.

The e-commerce activities of VVB including Web site design, maintenance, and hosting are provided at no cost to the organization by a community volunteer. In addition, the local phone company (the provider of high speed Internet service) provides an annual contribution to the VVB that covers the cost of the service. Thus, the VVB is an example of an award-

winning e-commerce effort that is accomplished with limited direct financial support.

Challenges and Lessons for Rural Entrepreneurs

The VVB tourism marketing program has been very successful in promoting economic development in the county. Tourist expenditures in 2005 were more than \$4 million, up from \$3.1 million in 2001. Most shops and businesses in the historic Villages of Bentonsport and Bonaparte exist because of the tourism program and related redevelopment and small business development programs provided by the VVB. Stacey Glandon, Executive Director of Villages of Van Buren, Inc., also estimated that more than 80 percent of recent county land sales were to nonresidents, many of whom were prior visitors to the area. Finally, new business start-ups in the area, such as furniture manufacturing, are attributed to the increased tourist traffic associated with the festivals and events.

Stacey Glandon noted that the tourism industry is very competitive and attendance has leveled off for the planned tours (Fall, Barn, Canoe, and Bike) and arts and crafts related events. The VVB is considering a number of options to increase their marketing efforts to take greater advantage of their tourism assets and programs:

- Glandon suggested that the VVB would benefit from a more stable source of funding so that the executive director could devote more time to attracting visitors and less time to fundraising. Options for future funding support include tourism grants from the state, endowment monies from the Iowa gaming commission, and revenues from accommodation taxes (currently used only in the City of Keosauqua).
- The VVB and county businesses can increase sales and/or reduce costs with greater reliance on the Internet. For example, currently there is a fee for participating on the Barn Tour (\$60 per person for motor coach and lunch), yet registration and payment for the tour cannot be made over the Internet. An online registration/payment system would provide a significant savings in time and printing costs for VVB.
- Similarly, many of the small tourism-related businesses and lodging establishments under utilize their Web sites for marketing and are not set up to accept payments on line. Glandon noted that the use of Web sites is relatively recent for most area businesses, and these businesses may be reluctant to pay the credit card fees and may be uncertain about the security of online transactions. The VVB sponsors hospitality training for area businesses, but a "small town mentality" remains regarding which days and

hours to be open and use of the Internet.

- Glandon stated that plans are being considered for additional uses of the VVB's Web site to enhance visitor traffic. The VVB is investigating software that tracks the movement of visitors through the Web site to better assess their interests in the area (e.g. lodging, recreation, antique stores, events). A follow-up survey of those who accessed the Web site may be instituted to develop better tourist profiles. The Web site also may be expanded to include a "re-location page" that provides information on available buildings and economic and demographic information. In summary, the VVB recognizes that visitors are their best target for economic development and potential future residents and business owners. The VVB is investigating how to use these relationships to recruit new businesses, retain the existing businesses, and increase the tourism season from its current April-to-November period.

***From e-Commerce as a Strategy for Improving Business
Vitality: Lessons Learned from Small Businesses*** by Deborah M.
Markley, David L. Barkley, and R. David Lamie

See related case studies and
learn more about e-commerce at
<http://srdc.msstate.edu/ecommerce>.