"CULTURAL TOURISM AND BUSINESS OPPORTUNITIES FOR MUSEUMS AND HERITAGE SITES"

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"Cultural Tourism And Business Opportunities For Museums And Heritage Sites"

It is a great honour to have been invited to prepare this paper on cultural tourism for a conference focused on "Quality Management in Urban Tourism." Cultural tourism is very much a form of urban tourism since many of the attractions and events attended by tourists are in urban areas, often in the downtown cores of our communities.

The development of cultural tourism as a generator of income and a recognized form of tourism has emerged as an objective of both heritage institutions and tourist operators across Canada and around the world. Challenging economic times have compelled museums and heritage sites to explore ways and means to increase attendance levels and self-generated revenues and to control operating expenditures. Doing so has required them to look very carefully at their operating policies and practices and to focus on issues like customer service, partnerships and packaging opportunities. Museums and heritage sites have had to meet the challenge of being open to entrepreneurial approaches while continuing to meet their heritage preservation and educational mandates.

Tough times have made tourism operators like hotels, tour companies, amusement attractions, retailers and others more receptive to new ideas and approaches. Increasingly, they are taking notice of cultural attractions and events as worthy potential partners in packaging and other cooperative arrangements.

This paper considers the opportunities for the continued development of cultural tourism, with a focus on museums and heritage sites in urban settings. It is based on the main findings of the cultural tourism strategy completed last year by LORD Cultural Resources for the Province of Ontario. The study is called *Strategic Directions for Ontario's Cultural Tourism Product.* The central strategies developed in that study will be applied to the notion that heritage organizations need to communicate to existing and potential supporters their important role in helping to meet not only the preservation and educational needs of a community, but also wider community needs such as tourism, economic development and downtown revitalization.

DEFINITION OF CULTURAL TOURISM

Figure 1

Let's start with our definition of cultural tourism. There are lots of different definitions. As seen in Figure 1[i], we defined cultural tourism as "visits by persons from outside the host community motivated wholly or in part by interest in the historical, artistic, scientific or lifestyle/heritage offerings of a community, region, group or institution." A key point to remember because it will come up again soon is the idea of motivation for culture "in part." This is a key finding of the study, which differentiates it from other cultural tourism studies that have been carried out.

Cultural tourism, like other forms of tourism, brings together the personal motivation - the market - with the travel motivator - the product.

CULTURAL TOURISM PRODUCTS

By cultural tourism products we refer to institutions, lifestyle/heritage opportunities and to events. These cultural products may be linked. It is therefore possible and even likely to have cultural institutions which are located in a heritage/themed district or downtown become the focal point for community festivals and special events.

We all know that the better the cultural product the greater the likelihood that residents will spend money within a region, province or country. Even more important is the ability of cultural products to attract or increase the length of stay of long-haul tourists because they bring in new money. In this regard, the reality is that not every cultural product, and certainly not every museum or historic site, is willing or capable of being a significant tourist attraction, nor need they be.

Figure 2 shows a continuum of cultural products that at one end are what we refer to as "able" to attract tourists. The ability to do so has very much to do with the eight points listed which serve as a type of check-list to help cultural products to be evaluated or to evaluate themselves.

Figure 2

At the other end of the spectrum are cultural products that are not currently attracting visitors from out-of-province but have established this as a goal - we call these the "willing." In the middle are those who are not only willing but "ready" to make a commitment to enhance their product and services.

Many facility or event managers make the point that a dollar is a dollar whether that dollar is from a resident or a tourist. However, if tourists from out of province or out of the country pay to attend a museum or festival, the community is in essence *exporting* its products and earning currency for the community and the province.

A key element in our cultural tourism strategy is therefore to move more cultural products, if they so wish, in the right direction from being "export-willing" to "export-ready" to "export-able."

CULTURAL TOURISM MARKETS

Just as not every cultural product is willing, ready or able to attract tourists, not every person is interested in culture. However, a key finding of our study is that there are different degrees of consumer motivation for cultural tourism that many tourism surveys have not taken into account. This phenomenon is explained by the concentric circles shown in Figure 3. At the center, the smallest circle, are persons "greatly motivated" by culture. That would involve the people who travel to a city specifically because of its theatre opportunities, museums and cultural festivals. We estimate this segment at about 5% of the resident market and 15% of out of province tourists. The difference in the figures for residents and tourists is explained by the fact that the higher education/income persons most likely to travel also tend to be more interested in culture.

The second circle represents persons motivated "in part" by culture. That would involve persons who travel to the city both because of the cultural opportunities and, say, to visit friends or relatives. Those motivated in part account for about 15% of the resident market and 30% of the tourist market.

The third circle, which represents about 20% of both markets, involves people for whom culture is an "adjunct" to another main motivation. That is, the main motivation for choosing to visit the city might be non-cultural, but while there visitors will plan to include cultural opportunities.

Figure 3

The outer circle involves what we refer to as the "accidental cultural tourist," also about 20% of the market. This includes people travelling to the city who do not intend to go to a cultural attraction or event but find, for example, that the friends or relatives they have visited bring them along or that the cultural opportunity is close to their hotel. Attendance is not planned, but is accidental.

Outside the circles, representing about 40% of the resident market and 15% of tourists, are persons who wouldn't attend a cultural attraction or event under any circumstances.

Whereas the strategy for cultural products is to move more of them along the continuum from willing to ready to able, the strategy for increasing the market focuses on widening the appeal of culture from the small percentage greatly motivated to larger percentages motivated in part, as an adjunct to another motivation, or to accidental cultural tourists. This may be most successfully accomplished through partnership and packaging arrangements in which there are cultural and non-cultural opportunities.

CULTURAL TOURISM DESTINATIONS

Figure 4

The concept of packaging, partnership, marketing and collaboration to create cultural and non-cultural opportunities in one place or at one time is crucial to creating a cultural tourism destination. You get cultural tourism by bringing together the travel motivator with the personal motivation. But creating a cultural tourism destination takes strategic planning built on an understanding that there are different degrees of consumer motivation for culture and that most people are looking for a variety of things to do when they travel. This is illustrated in Figure 4

In other words, a destination is, by definition, a place that people plan to visit. A cultural tourism destination may be created by understanding the great variety of travel motivators and personal interests of tourists. Cultural facilities and events may therefore capitalize on opportunities to attract the numerous people who are not greatly motivated by culture but who have some level of interest.

People may travel to a city because of business or a convention, to visit friends and relatives, because of specific city amenities or many other reasons. They may not be particularly interested in culture but would attend if made aware of the opportunities, if it were convenient and offered good value for time and money spent. But for most heritage organizations and facilities, meeting these needs of tourists is often easier said than done. They often do not have the financial resources to be able to build awareness, create the conditions where it is truly convenient for tourists to visit, and offer the value for time and money spent in an increasingly competitive tourist marketplace. A key part of the solution is packaging, joint marketing and partnership among cultural products of the same type, among cultural products of different types and most importantly with non-cultural tourism partners such as hotels, bus tour operators, retailers, etc.

But why should tourism operators, most of whom are private sector, for profit, hard-nosed bottom line types be interested in packaging and partnership opportunities with cultural facilities and organizations, most of which are not-for-profit? A key part of the answer is that the demographic, socioeconomic and behavioural profile of the cultural tourist is what others in the tourism sector are seeking to target.

PROFILE OF THE CULTURAL TOURIST MARKET

What is the profile of the cultural tourist? Of course there are differences by type of cultural product, but in Canada and the United States the data generally indicate a very common pattern in which the cultural tourist:

- earns more money and spends more money while on vacation;
- spends more time in an area while on vacation;
- is more likely to stay at hotels or motels;
- is far more likely to shop;

- more highly educated than the general public;

- includes more women than men. (Women, of course, represent a disproportionate share of shoppers and bus tour passengers);

- tends to be in older age categories. (This is particularly important with the aging of the large baby boom generation.)

Not only is the profile of the cultural tourist market one sought by others in the tourism sector, but there are also societal trends pointing to the increased importance of culture as a travel motivator.

Figure 5 shows the findings of a Lou Harris Poll of frequent travellers conducted for *Travel and Leisure Magazine*. Respondents were asked in 1982 and again in 1992 "what is very important when planning trips." In the '80s cultural, historical or archaeological treasures were important to 27% of frequent travellers compared to 50% in the '90s. Understanding culture was important to 48% in the '80s compared to 88% in the '90s. One conclusion is that the economic realities of the 1990s had caused a shift from what Harris termed escapism to enrichment. This is reflected in data showing the dramatically increased importance of culture as a travel motivator.

Figure 5

But there are other forces at work - they have been at work for some time - which we believe have led to a paradigm shift that will long outlast the recession. For example:

- higher levels of education, since all studies show that persons in higher education categories are more likely to be culturally oriented.

- the increasing numbers of women in our society in positions of power and authority, since women tend to be more culturally-oriented than men.

- the aging baby boom generation.

- less leisure time but a greater emphasis on quality time experiences which cultural facilities and events offer.

- and even greater health and appearance consciousness, with concerns for the effects of ultraviolet rays causing travellers to seek out more indoor cultural opportunities.

The bottom line for many cultural facilities and organizations is, first, to understand just how important cultural tourism is and, secondly, what they have to offer as worthy partners with tourism operators in development of packaging opportunities and cultural tourism destinations.

TYPES OF PACKAGING ARRANGEMENTS

There are three types of partnership and packaging opportunities. The first and most common is among *cultural products of the same type.* That is, theatres packaging with theatres and museums with other museums. One common example is a passport package among museums or historic sites. While sometimes effective, there are significant limitations. For example, areas in which eight museums get together with a passport promotion so that visitors with passports stamped at seven museums receive free admission to the 8th find that these initiatives are not really very successful. This is because the passport concept appeals to the small percentage of the population interested in visiting eight museums in one area (the "greatly motivated"). They account for only about 5% of the resident market and 15% of the out-of-province tourist market. The reality is that most people are seeking variety when they travel.

A second form of partnership and packaging involves *cultural products of different types.* Illustrations include festivals, which concentrate cultural products in a period of time, and arts districts, which concentrate products in a particular place. The advantage of these approaches is that they create a wider level of appeal to more people, reducing competition among a larger number of cultural products, increasing perceived value for time and money spent, and widening the market both geographically and in terms of market segments to those who are motivated in part by cultural tourism, adding another 20%-30% to the potential market.

The third, and probably most important form of partnering and packaging, is among *cultural and non-cultural tourism products* such as hotels, resorts, retail areas, sports and outdoor recreation, bus tours, amusement attractions, etc. This form of packaging offers the variety of experiences that most people are seeking and greatly widens the market for culture to the adjunct and accidental cultural tourists, or some 60% of the resident market and 85% of the tourist market.

SUCCESSFUL CULTURE-TOURISM PARTNERSHIPS

Successful partnerships will require a repositioning of the relationship of culture to other tourism operators to move beyond "what can you do for me" with sponsorships, memberships and donations, to also include "what can I do for you" given the profile and importance of the cultural tourist. Knowing what culture has to offer and communicating it effectively to potential partners in the tourism industry may therefore help to move their perception of donations and sponsorships away from philanthropy and toward investment.

There are many ways for museums and historic sites in urban settings to develop policies and practices that reflect the approach of "what can I do for you." These are potentially even more successful if such methods also solve problems of tourism operators and meet wider community needs such as downtown revitalization. For example:

- Museums can help hotels develop weekend escape packages to overcome a common problem of high occupancy during the week and low occupancy on weekends.

- They can help convention planners who need convenient destinations and activities for delegates or spouses programs.

- They can describe their admission ticket as a full-day pass to encourage visitors to come and go during the day to shop, dine at area restaurants or visit other attractions. They can forego their own restaurants, most of which lose money anyway, and instead encourage visitors to dine at local restaurants.

- They can seek tradeoffs with downtown merchants and property owners. That is, heritage groups receive free or low cost space in return for a commitment to performances or special exhibitions during retail promotions, special events or festivals.

- They can develop operating schedules that coordinate as much as practical with common retail hours.

The opportunities are limitless if everyone recognizes that the benefits of partnership and packaging must flow two ways.

The key to the success of partnership and packaging relationships is to bring potential cultural and other tourism partners together. In this regard, government and the academic community, in collaboration with Visitor and Convention Bureaus, Chambers of Commerce or Economic Development Offices, may play an important role. By bringing potential cultural and other tourism partners together, this becomes the first step along a path of communication, understanding of what culture and tourism operators need from each other, and implementation of mutually beneficial opportunities.

i Strategic Directions for Ontario's Cultural Tourism Product Main Report*, LORD Cultural Resources Planning & Management Inc., The Economic Planning Group of Canada and Eck Talent Associates Ltd. (Toronto, 1993). This was conducted on behalf of the Stratford Festival, the Ontario Ministry of Culture, Tourism and Recreation, and the federal Department of Industry, Science and Technology Canada.