

Cultural Tourism Alliance
 Pittsburgh, PA September 2002
 International Cultural/Heritage Tourism Marketing Seminar
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I have an ambitious job this morning: to keep you awake on a Saturday following spectacular selection of events and cultural activities last evening; and help you understand the complexity and opportunity of marketing America's culture internationally. To accomplish this ambitious agenda I'll concentrate on three major areas: 1) profile other destinations and programs that market cultural/heritage internationally; 2) define the opportunities and challenges of international marketing; and 3) outline strategies and steps to launch or enhance international marketing of US cultural heritage product.

Before I showcase some other international marketing examples, I want to focus on why international tourism is important.

1. WHY COURT INTERNATIONAL VISITORS? THEY TRAVEL

SLIDE: According to the Economic Policy Institute and the World Tourism Organization, international visitors – especially Europeans – have almost twice as many legally mandated vacation days as the US. And they take them, not to work on their house or visit relatives. Bank holidays are for that. Long-haul means two to three weeks away for relaxation, stimulation and education. WTO expects long-haul travel to increase from 27% to 31% by 202, and the America's to lose market share to Europe and Asia.

1. WHY COURT INTERNATIONAL VISITORS? THEY SPEND

SLIDE: If you look at what the US top markets – UK, Germany and France – spend, the total is over \$100 billion. And Japan, a fraction of the size of the US, spends almost half of what we as a market spend. That's big bucks, and it hasn't slowed down. According to FVW, 2001 sales of Europe's top 10 tour operators totaled \$41.5 billion Euro, up from \$36.2 billion in 2000.

2. WHY COURT? THEY LIKE CULTURE, HERITAGE, SHOPPING

SLIDE: 1 in 3 overseas travelers to the US include a historic site as part of their travel (31%); 28% visit small towns, villages; 21% tour countryside; 20% visit art galleries; 18% visit cultural heritage sites. (Source: Tourism

Industries/DOC) And they also like to shop. 89% of all international visitors shop, and one in three are considered “American Cultural Shoppers” – they shop AND go to a cultural or heritage event or activity.

As the mechanics of travel becomes more burdensome, culture and heritage provide an incentive to get people out of their house, on to a plane and willing to test the boundaries of safety and security.

3. WHY COURT? THEY REPLACE OUTBOUND US TRAVELERS

SLIDE: International travel helps replace the outbound market we lose to destinations like Barcelona, London and Australia. 33.6 million overseas trips were made by Americans in 2000. That’s business and leisure, but given the propensity of Americans to “add a few days” to their business trip, the lines quickly become blurred as to true motivation for travel. And it still means days out of the country, or displaced spending and time from holidays here at home. Note that they, on average, spend over \$1200 plus airfare, and more than two weeks away.

SLIDE: PROFILE OF US OUTBOUND TRAVELERS - Lost revenue

SLIDE: HOW OTHERS MARKET THEIR CULTURAL HERITAGE GLOBALLY

Now I’d like to expand on the international stage that Madame Camprubi began with her case study on Barcelona, one of my favorite European cities. Before I discuss strategies for marketing America’s culture internationally, we must first understand our competition and the efforts by leading destinations around the globe to attract visitors through art, history, music, and other forms of cultural heritage.

Europe sets the standard – and actually raises the bar – for international marketing of culture. Their efforts for showcasing culture as a way to increase tourism and enhance sustainable economies began more than 20 years ago with the SLIDE: EUROPEAN CITIES OF CULTURE PROGRAM TS Eliot said “the cultural health of Europe requires two conditions: the culture of each country be unique and that the different cultures recognize the relation between them.” This philosophy is embodied in the EU Program which began in 1985 “to highlight the cultural wealth and diversity of the cities of Europe whilst emphasizing their shared cultural heritage and vitality to the arts.” Over the past two decades the program has moved beyond an educational program to become a marketing platform and regeneration tool for the principal areas. Each city received financial

rewards and incentives from the European Union for development of program, capital improvements and marketing. While each city is free to determine its own emphasis and theme and to organize programs and projects within individual time scale and budgets, each must include education and offer some type of legacy. In 2000, the program chartered new territory with multiple designation during the millennium year – nine cities designated, with 12 joint projects covering different fields: Technomade, coasts & waterways, cafe9.net, walkabout stalk, communication, Codex Calixtinus, Citylink, voices of Europe, Faces of Earth, Kid, The House of the Nine Cities and Bologna gala dinner. Cities ride the wave after designation to foster new partners, create new programs and target to new audiences. Several graduates now participate in the

SLIDE: ART CITIES IN EUROPE program.

The designation serves as a platform for continuing to enhance, expand and promote Europe's cultural heritage. Take into consideration the Art Cities in Europe's aggressive efforts at ITB – the major travel show held in Berlin each March. At the 2001 ITB, the first "Cultural Tourism Pavilion" debuted, featuring more than 240 European destinations offering special "cultural heritage" product. Everything from cuisine tours and cooking schools, artists demonstrations to packages for current and past European Cities of Culture (SLIDE: ART CITY NEWS LETTER) Twice as many exhibited this year, and planners anticipate the Hall of Culture to be even larger next year as more than 90% of the exhibitors are set to return due to heightened interest and bookings by the media, tour operators and consumers/

SLIDE: The HILTON CULTURE MENU demonstrates the partnerships and packages the collective group has been able to leverage.

And Food is indeed a popular part of culture, as evidenced by (SLIDE) the SLOW FOOD/SLOW CITIES program. Perhaps no country has focused on food and shopping as have the Italians. Having recently returned from the "Slow Food" capital – Greve in Chianti – I will tell you that signage for restaurants is more prevalent than for shops. You can locate an obscure trattorias and osterias serving local dishes easier than the PRADA outlet. Why do they consider food and local craft as much a part of culture as an art exhibit or concert? According to Mayor Paolo Santurnini, the "American urban model has invaded our cities and risks making Italian towns look the same. We want to stop this kind of globalization." The Slow City project emphasizes the rich cultural, culinary and artists local traditions of each

community. How? Enlarged pedestrian areas, more parks, car alarms and other noises are banned, TV aerials and advertising posters and neon signs are removed. Does it work? According to the Italian tourist board it does. 32 cities are now on board (I have the charter of association if anyone is interested.) An interesting side benefit, slow food forces you to stay over night as dining become your evening entertainment, something rural and regional destinations should consider.

And the Italians are taking the concept of the “Market to the Product” one step further with the launch of (SLIDE) HANDMADE IN ITALY profile portrait book later this year.

Italy is just one country focusing on its indigenous arts and crafts to market its culture. TURKEY uses craft in advertising; and Morocco is undertaking a massive three-year initiative to develop and market its whole craft program.

More traditional components of culture - museums and heritage sites – have long been promoted by the UK & Ireland. England, in particular, has been aggressive in redefining and marketing their culture. From packaging the “Treasure Houses of England” to stringing together a collection of cultural activities along the Thames, England has systematically integrated its cultural heritage into the marketing activities conducted by the National Trust, English Heritage and the English Tourist Board. Even the Arts Council expanded on the European Cities of Culture program by creating a decade-long campaign to showcase specific art forms – such as music, dance, painting, drama, opera, and architecture – at designated sites. Like the European Cities of Culture program, the Arts Council program not only increased visitation and community awareness it also leveraged new and sustained partnerships and investments that have resulted in expanded programs, exhibits, new museums and marketing initiatives.

IRELAND recent success in showcasing its cultural heritage came about a bit differently. How many of you have seen Riverdance? The widely popular show actually resulted from a 1994 Eurovision song contest. Riverdance reflects the dynamic way in which Irish culture has evolved. As Finlan O’Toole states in his story of Riverdance, “All cultures face the same questions: How do we relate to the past? What does the culture we inherited from our ancestors mean now that the world that shaped it is slipping away? You can preserve a tradition only by letting it live, breathe and change.

“Riverdance has re-energized the tradition from which it springs. It is already part of the best tradition – the tradition of making old things new.”

The tourist board, recognizing how galvanizing the music and story of Ireland’s history was for residents and visitors alike, launched the “Heritage Towns” program and initiated one of the first “shopping cart” menus on their web site to help travelers build customized tours throughout the countryside, allowing them to buy or select not only the mechanics of travel – a place to sleep and car hire – but also recommendations for local restaurants, musical performances, artists’ studios and locally-made items.

Crossing over to the other side of the globe, I would be remiss in providing an overview of international marketing if I did not talk about ASIA – in specific, Thailand and Australia.

So, you now see what other top destinations are doing? How about closer to home? Just to the north, Canada has been steadily laying the foundation for developing, enhancing, expanding and elevating the quality and quantity of its distinctive cultural heritage through government grants, guidelines and incentives. This steady process of tourism development and management as well as marketing is perhaps best demonstrated by Kingston, Ontario. Adopting a Cultural covenant in September 2000, this city’s vision is a thriving tourist destination for the arts, heritage and culture with a cultural business center to enrich the community both through additional economic benefits and new opportunities for cultural growth and expression. The global approach is not about marketing; it’s about vision, leadership, policy and community. It’s about defining a community culture that is good for residents, which in turn will be attractive to visitors.

(MARKETING US CULTURAL HERITAGE INTERNATIONALLY)

So how do you get involved or enhance current international marketing efforts by focusing on cultural heritage?

Step 1. Research the market(s)

- Learn about the market(s) you want to attract: where they go, when they go, how they get information, buy travel
- Identify what international travelers are coming now and what they are doing in the US, your region, your state, your city
- Find out what they know about – or think of you, your product. Travel South actually conducted focus groups to determine attitudes and

opinions about the region and its residents before designing a PR program in the UK. We had our baseline data that we could use as a benchmark for measuring success.

CHECKLIST 1

Check secondary research sources to find out about inbound travel:

TIA, NTA, IATA, TI, WTO, WTTC

Check primary research sources to obtain in-country profiles of travelers: UK's Office for National Statistics, Japan Statistics Bureau, Germany's Federal Statistical Office

You'll find that the Germans like sun, Native American and African American culture and farm stays/agritourism

You'll find that the Japanese love brands and easily recognizable icons (Graceland)

You'll find that Brits love to drive, especially big American cars, and enjoy quirky museums and real Americana

And you'll find the Brazilians love to shop, like the nightlife and recreation.

Track trends: conferences, trade shows, economic indicators

Track competition – what other global destinations are packaging, selling. Canada, Australia and France are leaders in niche marketing.

Track new technology – how is it changing how people purchase travel, receive information? For instance, while internet is growing in popularity most Europeans will receive their text via handhelds rather than by computer as you have to pay for time of individual calls on land-lines.

(Source: Nokia.)

Insider's Tip:

☐ Read local in-country newspapers, magazines to see what's hot, what's not. There are nine national newspapers in the UK – broadsheets and tabloids are very different with very different readership and circulation. There are five TV stations in Britain, and you pay an annual fee for the privilege of having a television set.

☐ browse www.yahoo.co.uk for UK consumer information, trends. You can narrow your search to just UK or just Ireland.

☐ Join in-country Visit USA Associations to get a roster of members or learn on events, activities, receive newsletters.

A recent study by ESSENTIALLY AMERICA Magazine reveals some interesting statistics about British travelers (to the US)

- 71% access to computer at home; 45% have access to computer at work

- 69% access Internet at home; 34% at work
- interests: 73% want to eat out; 71% shop 63% read; 57% interested in history, culture; 49% walking; 46% cinema; 44% gardens, gardening; 42% country music; 42% theatre; 39% museums
- length of stay is 16.4 nights spending \$2800 on a fly/drive package
- 72% like to tour different regions during each holiday.

Here are some other Sources for International Market Research:

- Tourism Industries, Department of Commerce (www.ita.doc.gov)
- Analysis Reports such as “Top Destinations Visited Analysis”
- Market Research Reports (for sale) such as “In-Flight Survey on Overseas Travelers to the US”
- TI News – free electronic updated data, upcoming events
- Travel Industry Association of America (TIA) (www.tia.org)
- International Visitor Information System (IVIS): includes International tourism overview; Countries at a Glance; Market Share Indicators (MSI) – see below

Population Information; IVIS Sources

- IVIS Market Share Indicator (MSI) Report: just added Austria, China, Columbia, India and Ireland
- 2002 International Marketing for Travel & Tourism Report (\$)
- US Department of Transportation (www.dot.gov)
- Bureau of Transportation Statistics (www.bts.gov) includes monthly updates, transportation indicator reports
- Office of Airline Information (most current: 1995 US International Air Passenger and Freight Statistics)

- International Air Transport Association (www.iata.org)

- Travel & Tourism Customer Focus Guide (downloadable PDF)

BSP TravelLink – new service

- World Tourism Organization (WTO) (www.world-tourism.org)
 - global information with standard data collection;
- not all countries -have same level of detail; not real fast

- World Travel & Tourism Council (WTTC) (www.wttc.org)

- Economic Research reports (\$)

- Tourism Business Roundtable (TBR) (www.tbr.org)

just launched the TBR/WTTC Index of Leading Economic Indicators (monthly report on-line)

- Inbound, bi-weekly faxed newsletter (\$275 annual subscription available from North American Journeys – www.naj.com)

Step 2. Assess your CHT product (for the international market).

- identify what you have to offer that is distinctively different, your cultural brand

Identify hidden/original/unique treasures: gardens, golf, cuisine, history, farm stays, locally-made arts and crafts/other products. Where are they, when are they open, how are they special/unique?

Investigate nearby attractions, sites, activities that could enhance your product: clustering around a particular theme or geographic area to create the critical mass required to attract an international visitor.

Use the National Register of Historic Places database -

www.cr.nps.org - to identify the significant sites, structures and objects in your area. This is America's keeper of places associated with significant people, architecture, archeology, events or at least 50 years old.

Go to www.byways.org for information on nationally-designated All American roads and Scenic Byways. The Federal Highway Administration has designated more than 30 roads in 20 states .

- Test the "so what?" barometer on what you discover: would you travel across an ocean to come visit, is it unique or different enough to compel an international traveler to purchase and visit?
- Break the CHT product into stages:
 - 1) what is ready to go and can be marketed now
 - 2) what can be enhanced/packaged in the next two years
 - 3) what requires more long-term development to attract and host (niche) markets

BORDEAUX WINE TOURS

Pay attention to quality of experience and consistency of experience, especially when packaging or conducting regional or theme tours. Can you guarantee the desired experience from site to site?

CENTRAL MARKETS OF WEISHAN VALLEY, YUNNAN PROVINCE OF CHINA. Preserve what's important to local residents and safeguard these assets or traditions, not just for tourists but for future generations.

Step 3. Partner and Package CHT.

- Make a strategic, multi-year plan. What do you want to accomplish? Fund it and begin ...

- Research your closest international gateway: what domestic/international carriers flying in, what days, from where, how often?
- Find out what your region, state, city, hotel groups and nearby attractions are already doing: in-country representation, packaging, promotions, trade shows, etc. leverage or partner to expand reach. (43 states have representation in the UK in 2000)
- Meet with receptive operators to discuss inclusion of your product in tour operator, FIT packages
- Package what you can deliver: TSUSA “Idea Book” of itineraries

CHECKLIST 2

- Package travel (Australia tour operator article). Receptive operators: TOURCO’s “Scrapbook of Learning Adventures” was one of the first sampling of dedicated cultural heritage tourism for groups and FIT. Think broadly but also focus on niches.

Distribution: internet – business to business as well as business to consumer – but also advertising, media relations, in-country representation, collateral materials, tour product on shelves, trade shows and consumer promotions.

Think of domestic competition as potential international partners. Wouldn’t it be great to have a national “Frank Lloyd Wright” package to include visits to Buffalo, New York, of Falling Water here in Pennsylvania, his home & studio in Illinois, Taliesin in Wisconsin and Taliesin West in Arizona? Or perhaps a Hemingway tour with readings and tours in Key West,

Cultural heritage can provide the sometimes untraditional links that move people from urban centers and off the beaten path. The challenge is to make it easy to find, easy to purchase and easy to do.

CHECKLIST 3

Consider linking product around themes or clustering along scenic byways to create the critical mass to entice international travelers. Travel South’s CH itinerary sampling at trade show; special foods and drinks served at WTM (mint juleps, Lynchburg Lemonade, barbeque)
Prepare a gap analysis to determine necessary improvements to sites and/or services to host specialty audiences

Work with receptive operators to create new itineraries for target specialty audiences: Unique Tours; Premier Holidays (Marks & Spencer “cuisine” ad in their food magazine)
 Be creative when marketing: find out where these audiences get information, the most cost-effective – and trusted – distribution mechanisms.

LONDON PASSPORT: Admission to 63 different institutions offers one-stop shopping. Convenient and value-added incentives for the customer.

EXAMPLE: Gardening in the UK is big: three out of 10 Brits go to church; seven out of 10 garden. The Royal Horticultural Society, founded in 1804, has more than 300,000 members and sponsors the annual Chelsea Flower Show. International and domestic garden tours are offered to members through Arena Travel, Gentle Journeys and Heritage Touring. (Source: www.rhs.org)

Step 4: Sell the CHT Product to the Most appropriate audience

- attend trade shows
- participate in consumer promotions
- host familiarization tours with tour operators, media
- e-commerce and internet links with other travel industry partners (hotels, restaurants, airlines)
- in-country sales missions, media blitzes
- advertising, special supplements in-country
- trade and consumer

See TIA’s “How to develop an international PR plan” handout.

Example: Travel south hosted a group of media to a James Brown concert at the Barbican during a nine-month long exhibit called Inventing America. We also distributed our consumer travel guide to every person that attended and had a booth set up to answer questions about the region (Staffed by tour operators)

Trail of the Great Bear: US and Canadian heritage area decided to manage and license its own tour program, conduct its own training and has a four-person sales team that generates enough revenue to fund capital improvements, interpretation and development, preservation projects.

The Educational Traveler Conference host representatives from more than 200 universities’ alumni associations, museums and non-profit

organizations that offer domestic and international study tour programs. Norway was the big sponsor for the 2002 conference in Los Angeles; the only US sponsor was Florida. www.educationaltravelconference.com

INDIGENOUS CULTURAL TOURS: The Olympics in Sydney gave the indigenous peoples an international stage to showcase their distinct culture. Tour operators are now capitalizing on the interest and popularity by offering authentic tours.

Step 5. Measure the impact: motivation and economics

Can you track it? Really understand who is coming and what they are doing. Our shopping statistics bundle malls with artisan studios and yet the local economic impact is quite different, and usually so is the motivation for visiting. When we talk dining, how often are people choosing “the local special” rather than a steak dinner a national chain, even if it is upscale? And if we want to build a case for investing in developing and marketing cultural heritage for international visitors, we must be able to define how much and where these customers are spending as well as demonstrate the powerful motivation that our cultural heritage is for international visitors.

PROFITTING FROM GROUPS

It’s not just about a brochure; it’s about the economic and social impact on the site. One of BEST’s (Business Enterprise for sustainable Travel) examples is how Linblad Tours offers customers a \$250 voucher good toward their next tour if they make a contribution of \$250 to the local host (the Galapagos). More people want to support local economies, preservation and cultures – this is one win-win strategy that has been developed.

USA SHOPPING GUIDE

It’s about positioning and branding, creating a desire to visit (as the main streets and art galleries featured in this guide promote), not just when there’s a big event, festival or exhibit but year-round or even five years from now.

I’d like to leave you with three key thoughts to consider before planning or launching an international marketing campaign. **INTERNATIONAL MARKETING MORSELS**

- 1) Are you willing to make a long-term commitment to attracting and hosting international visitors? Most partners – especially big corporate players – want multi-year collaborations. And, many programs that you are working on now will not bear fruit until 2008 or beyond. TSUSA has exhibited at WTM in London since the event began, and has had a Japan office for over a decade. The consistent presence builds relationships, trust and pays off with a steady increase or in lean years, helps maintain market share.
- 2) How do you define “cultural heritage?” I challenge you to think “big picture” and “narrow niche.” Then ask yourself, is what you have to offer so totally unique that it is worthy of a trip across an ocean or border? Could it be? For whom? Culture can be a great myth-buster as to stereotypes. (Travel South) We need to be defining culture and heritage as a way of life not as the number of museums we have or brochures we produce. It is about food, music, nightlife, meeting local people, locally-made products, landscapes and architecture – the immersion of the senses into why people live where they do – the essence/heart and soul of a place - rather than the American-style of touring to “check items off a list.” Culture can also be the reason people will risk or suffer through the ordeal of travel, but we have to deliver the experience worth the trip.
- 3) Work together rather than against each other. Choose product over politics, action over apathy; policy over promotion. Set your stakes high – expand your horizons, meet new people and learn, learn, learn.
- 4) If we are not satisfied with the way things are, then let us be catalysts for change: rally NEA, the National Council of Mayors or other national organizations or agencies to launch an American Cities of Culture program; join together for the US to exhibit at ITB in the Cultural Tourism Hall; form an organization ourselves that can be the leader or voice for cultural heritage in the US. Just think, if each of the 9000 historic house museums alone paid \$10 we'd have two seats on the TIA board.
- 5) Consider an integrated approach - The Canadian approach to establishing cultural heritage policy first before marketing is admirable, and provides a solid and sustainable foundation for continuous funding. This constant reevaluation, measurement and management of tourism and cultural heritage allows pro-active and strategic alliances, support and trend-setting.

QUOTE: With budget cuts and increased competition, we must be even more savvy and strategic in how to increase market share, justify our decisions and measure the impact of efforts. Armed with information and pooling resources, we can compete on the global stage to attract international visitors and provide a quality, distinctive experience.