

2014 National Cultural Districts Exchange

CULTURAL TOURISM: ATTRACTING VISITORS AND THEIR SPENDING

Cheryl Hargrove



Americans for the Arts has commissioned five essays spanning the intricacies of arts, entertainment, and cultural districts specifically for policymakers, arts leaders, planning professionals, community development practitioners, and others who are interested in developing new districts or adapting existing ones.

- > Creating Capacity: Strategic Approaches to Managing Arts, Culture, and Entertainment Districts
- > Cultural Districts: Bottom-Up and Top-Down Drivers
- > **Cultural Tourism: Attracting Visitors and Their Spending**
- > Art and Culture Districts: Financing, Funding, and Sustaining Them
- > State Cultural Districts: Metrics, Policies, and Evaluation

These essays and reports are part of our National Cultural Districts Exchange, where you can find more information on cultural district legislation, case studies, a national district survey, and a collection of webinars.

www.AmericansForTheArts.org/CulturalDistricts.



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INTRODUCTION: DEFINING CULTURAL DISTRICTS AND CULTURAL TOURISM

Partners in Tourism, a collective group of federal agencies and national organizations (including Americans for the Arts) crafted this definition of cultural tourism more than 20 years ago:

“Cultural tourism is based on the mosaic of places, traditions, art forms, celebrations, and experiences that define this nation and its people, reflecting the diversity and character of the United States.”

Internationally, the United Nations World Tourism Organization defines cultural tourism based more on visitor intent: “movements of persons for essentially cultural motivations such as study tours, performing arts and cultural tours, travel to festivals and other cultural events, visits to sites and monuments, travel to study nature, folklore or art, and pilgrimages.”

Both of these definitions demonstrate the value and desire of cultural activities as part of a rich, robust, and rewarding visitor experience. Destinations, particularly urban cities, have an opportunity to showcase cultural activities and provide cultural experiences through the formation of cultural districts. Americans for the Arts defines a cultural district as “a well-recognized, labeled, mixed-use area of a settlement in which a high concentration of cultural facilities serves as the anchor of attraction.” These facilities may include performance spaces, museums, galleries, artist studios, arts-related retail shops, music or media production studios, arts education venues, and/or green space. Cultural districts are traditionally mixed-use developments, integrating both commercial space and residential areas, often designed to revitalize neighborhoods or areas needing economic or societal stimulation. To attract residents, businesses, artists, other members of the creative economies—and indeed, visitors—cultural districts often utilize green space, architecture, and other authentic assets to establish a distinctive appearance or authentic “sense of place.”

Focusing more on the opportunities of cultural tourism, cultural districts may combine specific visitor services (boutique hotels, locally sourced restaurants) or include venues (performing arts and convention centers, in particular) as a way to attract key groups to the area. Creating a critical mass of activities available 24/7, the cultural district can be marketed as a destination attraction. The availability of cultural districts may tip a convention, a group tour, business meeting, or special event to be hosted in a destination due to the perceived (and hopefully real) creative environment.

THE CULTURAL TOURIST: WHO THEY ARE, WHAT THEY DO, AND WHY THEY ARE IMPORTANT

Most people don't leave their home saying "I'm going to be a cultural tourist today," but often the motivations, actions, and activities of these individuals are impacted by the availability of cultural assets. Typically, a tourist is defined as someone from at least 50 miles away from home. "Cultural tourists" are individuals or groups seeking out distinctive experiences focusing on visual and performing arts, architecture, cuisine, and craft.

The difference between a cultural tourist and a local resident is often the fact that these individuals travel to a destination for a specific purpose—business, convention, leisure—staying overnight in a hotel or even visiting with friends and family before returning back to their original location. The appeal for destinations to attract tourists, particularly cultural tourists, is the new money infused into the local economy, generating both jobs and additional tax revenue.

According to a 2013 report from Mandala Research, LLC, 76 percent of all U.S. leisure travelers engage in cultural activities. The size of the market is estimated at 129.6 million adults in the U.S. spending approximately \$171 billion annually. The appeal of the cultural tourist market is they typically spend more and stay longer than other types of U.S. travelers. The U.S. cultural traveler spends 60 percent more, approximately \$1,319 per trip compared with \$820 for domestic leisure travelers. The cultural traveler also takes more trips than general U.S. travelers: 3.6 vs. 3.4 trips annually.¹ These characteristics have been statistically supported by other research surveys for more than two decades. Americans for the Arts' recent Arts & Economic Prosperity studies support this behavioral profile.

Cultural tourists are predominately affluent and well-educated Baby Boomers. With more than half preferring leisure travel that is educational (56 percent), Baby Boomer cultural travelers want to engage with locals through "immersive experiences." Four in 10 will pay

¹ Source: Mandala Research, LLC 2013

more for distinctive lodging (boutique hotels, bed and breakfasts, etc.) reflecting a destination's culture.²

A July 2014 "State of the American Traveler" from Destination Analytics, Inc. reveals the growing impact of Millennials on cultural tourism. In a psychographic comparison of the generations, 73 percent of Millennials "want to engage a destination's arts and cultural assets"—the highest rated activity of importance. Cultural interests also rate high in importance for Baby Boomers (64.8 percent) and Gen Xers (67.8 percent). More than two thirds of all Millennials also rated "authenticity" in experiences as extremely important. Racially diverse and technologically savvy, the Millennial generation (born 1977–1994) represent the largest cohort since the Baby Boomers.

Successful Meetings' "Top Trends" bode well for cultural districts to grow their business and event market. The number one trend is that "meetings are experiences," moving away from the sole purpose of exchanging business information to "providing enriching, one-of-a-kind experiences that attendees will treasure forever." Trend number two is incorporating local elements into the meeting or event, satisfying the desire where "attendees want a sense of place." This includes local cuisine, local culture, and local atmosphere.³

Cultural tourists, therefore, represent a prime audience to tap for *new* money generation in a destination. With their visit, cultural tourists validate the importance of the arts to the destination experience. With their spending in the cultural district, they expand the impact of residents' patronage at various arts-related businesses and enterprises. With the availability of cultural districts, destinations have unique assets to market to the meeting and convention markets, extending the impact beyond the leisure travel market. Identifying and understanding the most appropriate tourist markets and their motivations and needs for travel experiences is a critical step for attracting tourists to cultural districts.

² Source: Mandala Research, LLC, 2013 Cultural Heritage Traveler Report

³ Source: Successful Meetings, January 26, 2014, Gilmore <http://www.successfulmeetings.com/Strategy/Meeting-Strategies/The-Top-Four-Meeting-Trends-of-2014/>

PLANNING AND DEVELOPING A CULTURAL DISTRICT TO ATTRACT TOURISTS

Planning a cultural district begins with understanding the desired outcomes and sustainability formula for an optimum return on investment. For a district intending to attract tourists, outcomes may include:

- Presenting opportunities to showcase artists
- Enhancing a destination brand through cultural expression
- Establishing an authentic “sense of community”
- Providing venues and places for tourists to spend money
- Adding a cluster of new experiences to attract tourists (and residents)
- Revitalizing commercial districts for economic growth cultivated from tourist spending, and/or
- Establishing new hubs of cultural vitality to market to tourists.

The optimum return on investment can be measured economically, socially, and/or environmentally. Certainly, increasing sales tax revenues, business sustainability and growth, and job creation are fundamental reasons to develop cultural districts for tourism. Socially, the opportunity to enhance residents' quality of life, to expand cultural diversity and understanding, or to broaden cultural identity through individual expressions and experiences can serve as benchmarks for cultural districts. More attractive and available green space, distinctive or restored architecture, and energy efficient and appealing aesthetics can satisfy environmental goals for cultural districts. Cultural tourists favor both diversity and green practices.

District planners and developers must recognize that tourists and local residents contribute to or impact these outcomes in very different ways. As mentioned earlier, tourists are typically motivated to visit a destination for business or leisure. The business traveler may not have a choice in the destination to visit, but can select the activities or locations to visit after hours

or as an add-on trip. The leisure tourist often has more flexibility of choice, even when visiting friends and relatives. The destination may be selected based on the availability of cultural experiences or some other attraction; the cultural district can motivate tourists to spend more and stay longer. The tourist may visit seasonally or year-round, frequent on specific days of the week (or weekend) and desire particular types of cultural activities that may/may not coincide with resident experience and enjoyment. Understanding tourist/resident similarities and differences is paramount to creating and managing a cultural district attractive to both audiences.

ENGAGING TOURISM STAKEHOLDERS

Important for any cultural district planning process, especially when targeting tourists, is the inclusion of destination marketing organizations (DMOs) and hospitality services—for example, the local convention and visitors' bureau, tourism development authority, or Chamber of Commerce charged with tourism. One of the most compelling reasons to engage DMOs is to tap their expertise and resources. DMOs may be a membership-based organization (dues required) or funded solely by local occupancy tax. Experts engaged in tourism and hospitality can access important market research about current tourist activities (spending, demographic profiles, etc.) along with information on consumer travel trends and motivations to influence creation and composite of cultural districts. Many cities also have tourism or cultural affairs offices located either in the mayor's office or planning departments. These agencies engage in providing the oversight and coordination required to host tourists—everything from infrastructure, services and permits for the tourism industry (e.g., guide licensing and certification for tours, on-site filming, hospitality training, signage, welcome centers, etc). Each destination is different, so identifying and including all of the appropriate partners—public, private, and nonprofit—is important to proactive communications and engagement.

Private sector members of the travel and tourism industry, in particular, hoteliers, managers of major attractions, and restaurateurs, may also contribute valuable expertise on investment and development strategies to leverage resources or enhance return on investment. The cultural district may be a component of a designated Business Improvement District (BID), an entity funded by a business tax or levy to advance projects within its boundaries. Alternatively, the cultural district may be represented by or in the jurisdiction of a Community Development Corporation (CDC), a nonprofit entity designed to engage and support community development activities. Involving these entities, as available, is vital to avoid duplication of efforts and ensure coordination of activities. The BID and/or CDC may also have access to additional resources that can aid in the development, marketing, and management of the cultural district.

Cultural districts seeking to increase visitation must recognize the responsibilities of hosting visitors. At minimum, the businesses appealing to visitors, retail shops, restaurants,

entertainment venues, museums, must be open to the public. Evenings and weekends are frequently the most popular times for visitors. Educating contributing businesses and activities of cultural districts about the host/guest responsibility is important to ensure the tourist market can access and enjoy desired experiences.

In turn, tourists may also be tapped to contribute to the sustainability of cultural districts. Focus groups with target markets can help inform cultural district offerings and compelling messages to convey the “essence” of the experiences. They may also provide opinions on the ideal times to host events or preferred themes for multisite itineraries. Through exit surveys, current tourists may also identify desired activities, shops, or activities not currently offered that could be integrated into the cultural district.

PLANNING FOR TOURISM

Engaging the tourism industry in the planning process for cultural districts is the first step in ensuring appropriate development, marketing, and management of the area. Frequently, tourism industry officials and leaders of cultural institutions do not speak the same language as cultural institutions, even though they often desire the same outcomes. Providing educational opportunities to learn more about the goals and aspirations of each stakeholder group is vital to collaboration. Helping dispel myths and preconceived ideas may also pave the way for more positive interactions and identification of mutually beneficial strategies to advance cultural district development and sustainability.

Other stakeholders to include with cultural leaders and tourism industry officials in the planning process are similar to those entities for community-centric cultural districts. Government and planning officials, transportation experts, design consultants (for signage, aesthetics, and architecture), economic development authorities (to attract creative and cultural businesses), representatives from the local BID and/or CDC, financial and educational institutions, neighborhood organizations, and civic clubs are important stakeholder groups to tap for cultural tourism and cultural district planning. Involving this broad cross-section of community leaders ensures key stakeholders are engaged in information-based decision-making and influence development of cultural districts to achieve a positive impact on the triple bottom line (economy, society, environment). Helping these entities understand the value and importance of arts and the proposed cultural district can jumpstart the planning process. The inclusion of tourism industry officials guarantees a focus on tourists and their specific needs and desires. The planning process serves as an opportunity to bring these various entities together to define a common vision incorporating the arts, tourism, and community growth.

In his book, *Marketing and Managing Tourism Destinations*, Alastair Morrison discusses the “10 A’s of Successful Tourism Destinations.” These criteria can also be applied to the development and sustainability of cultural districts.

10 A's OF SUCCESSFUL TOURISM DESTINATIONS		
1.	Awareness	This attribute is related to tourists' level of knowledge about the destination and is influenced by the amount and nature of the information they receive.
2.	Attractiveness	The number and geographic scope of appeal of the destination's attractions comprise this attribute.
3.	Availability	This attribute is determined by the ease with which bookings and reservations can be made for the destination, and the number of booking and reservation channels available.
4.	Access	The convenience of getting to and from the destination, as well as moving around within the destination.
5.	Appearance	This attribute measures the impressions that the destination makes on tourists, both when they first arrive and then throughout their stay in the destination.
6.	Activities	The extent of the array of activities available to tourists within the destination.
7.	Assurance	The safety and security of the destination for tourists.
8.	Appreciation	The feeling of the levels of welcome and hospitality.
9.	Action	The availability of a long-term tourism plan and a marketing plan for tourism are some of the required actions.
10.	Accountability	The evaluation of performance by the DMO.
Source: Alastair M. Morrison, <i>Marketing and Managing Tourism Destinations</i> , 2013		

In reviewing the list above, the cultural district planning process must consider the following questions as to the viability of attracting and hosting tourists:

- How open is the destination to hosting tourists from out-of-town (hospitality)?
- Is "culture" a priority or integral part of the destination's economic development and tourism strategy?
- Is the DMO receptive to recognizing cultural districts as part of their destination brand?
- Are current visitors interested in cultural activities and experiences?
- Does the proposed cultural district complement or compete with other attractions, activities, and experiences in the destination?
- What activities or experiences in the cultural district are not currently available in the destination and will appeal to tourists?
- How does this cultural district compare to other cultural districts in competitive destinations?
- Can the cultural district accomplish, satisfy, or contribute to the realization of most or all of these criteria?

This begins the process of creating a positioning statement for the cultural district and articulating a brand promise for tourists. The planning process may begin with a core group of leaders or individual conversations with key stakeholders. Local tourism and government leaders, particularly the DMO, have a vested interest in tourism growth. Understanding the current climate toward development of a cultural district to attract tourists is an important outcome in the initial planning process.

TRENDS IN TOURISM TO CONSIDER

The travel and tourism industry, and its customers, have changed dramatically in the past decade. As the world hosted its billionth visitor in December 2012, the travel and tourism industry has become recognized as a global force for economic development. It also can be a force of change, wanted or not. Tourists and related development, when unplanned, may negatively impact a destination's character and culture. For cultural districts, the three most important trends in tourism to consider are the:

1. Desire for authentic immersive experiences
2. Use of technology to inform travel decisions, and
3. Need for sustainability.

Creating and hosting authentic and immersive experiences requires active community participation in order to be successful. Immersive experiences, by their very definition, necessitate interaction between tourists and local residents—particularly artists, business managers and their employees, cultural institutions and staff. These individuals must be trained in hospitality services to ensure appropriate hosting capabilities and satisfy quality experience delivery. (The DMO will often recommend or host hospitality training courses as a customer service strategy.) No amount of marketing can overcome poor customer service or misrepresentation of the brand. Therefore, the local tourism industry and cultural district partners must develop and deliver these immersive experiences to compete with other destinations.

In its annual consumer trend report, JWT Intelligence cites the growth in “speaking visual” to communicate with friends and relatives. The explosive use of Pinterest, Instagram, and SnapChat demonstrate the power of images. Visual aesthetics and quality photography become essential tools for promoting cultural districts—and engaging tourists in the message delivery to peers and social networks. Technology can also be used to inform tourists of upcoming events, nearby attractions, and other cultural activities available. The growth in smartphone usage, especially by Millennials, requires cultural districts to consider how information is shared and received.

Sustainability is increasingly important for destinations. One reason, certainly, is to preserve and protect the resources that attract tourists and engender community pride in residents. Equally important is ensuring a balance of benefits for residents, resources, and tourists. Defining specific strategies to preserve integrity of place in tandem with increased prosperity and promotion are key to sustainable planning processes. The Global Sustainable Tourism Council (www.gstcouncil.org) recently released 37 criteria for sustainable destinations. Three criteria specific to cultural districts include:

- Demonstrate sustainable destination management.
- Maximize economic benefits to the host community and minimize negative impacts.
- Maximize benefits to communities, visitors, and cultural heritage and minimize negative impacts.



Integrating green practices and sustainability strategies into cultural district planning processes are important, especially to potential audiences and the host community.

Ludington, MI is a small town north of Grand Rapids, MI on the western rim of Lake Michigan (population 8,045), and it has long been a summer vacation spot for tourists seeking exceptional outdoor recreational activities. The community boasts the popular State Park, Epworth resort community, and the departure port for *The SS Badger*. With more than one million visitors annually, this community recognizes the value and importance of tourism to its year-round sustainability.

During the past five years, various cultural venues have popped up to expand the activities available in the community—both in an effort to expand current tourists' length of stay and attract new off-season tourists. Two teachers have converted an historic building into Sandcastles Children's Museum; a sculpture trail was created along the banks of Lake Michigan; an old church was transformed into the Ludington Area Center for the Arts, a site for arts programming and artisan shop; there is a successful photography studio and shop; and Mitten Bar sells Michigan microbrews, baked goods, and artisanal foods. The community utilized these successes to launch a Cultural Development Planning Process to define specific strategies for their downtown cultural district and identify ways to expand their cultural corridor through the county.

This integrated approach to planning brought together elected officials, tourism industry and business leaders, downtown development managers and real estate brokers, cultural and heritage institution managers, local academics, artists, and community groups. Outcomes included specific themes to showcase the distinctive culture of Ludington and Mason County (agriculture, maritime, lumber heritage); specific development projects to expand the critical mass of cultural attractions and activities downtown (a new Maritime Museum, new art gallery, artist co-op retail space, and boutique hotel), and link these cultural activities to other attractions in the county (the Clown Museum in Smithville, the Sculpture and Quilt Trails featured at various locations around the county).



Top left: 4th of July
Photo Credit: Ludington Area Convention & Visitors Bureau

Top right: Friday night live dancers
Photo Credit: Ludington Area Convention & Visitors Bureau

Bottom right: Day 365 of 365
Photo Credit: Todd and Brad Reed

DEVELOPING THE CULTURAL DISTRICT FOR TOURISTS

If planning is important, implementation is essential. Developing cultural districts requires substantial commitment, both in terms of financial and human resources. Mostly, development requires vision and perseverance. In cities and states where cultural districts are legislatively mandated, the implementation is often approached as a “build it and they will come” mentality.

However, tourism is a much more competitive industry than it was even a decade ago. Therefore, even the most successful cultural district must continuously seek out a fresh, almost organic, approach to development. Focusing on authenticity and quality, cultural district developers need to recognize what assets and elements make their area distinctive from the competition.

Proactive communication is key to ensuring stakeholders track progress and outcomes. Regularly informing the DMO, government officials, community leaders, local media, and other stakeholders on cultural district’s development via e-mail, newsletters, or meetings helps maintain engagement and shares important planning updates on future activities. Celebrating successful milestones is also a significant way to involve and recognize local partners for their contributions to the development of the cultural district.

Once the cultural district is “open for business,” the management must continuously enhance the area to ensure constant and repeat patronage (from both tourists and residents). One way to develop cultural districts is to restore existing commercial space into new and vibrant uses. Another way is to cluster assets as a critical mass of different, yet harmonious, cultural experiences, activities, and attractions to lure tourists to the cultural district. The cultural district may also use its anchor attractions to connect to other districts, creating a cultural corridor linked by public art, murals, or streetscape.



In 2012, **Paducah, KY** received a Kentucky Cultural District Certification award. According to the Kentucky Arts Council, “Cultural districts are established to encourage city and county governments to partner with a local community non-profit or for profit organization, businesses, and individuals to enhance the quality of life for its citizens. Kentucky’s program is designed to showcase each community’s unique character and assets. The arts and areas with historic structures attract residents and tourists who also support adjacent businesses such as restaurants, lodging, retail, and entertainment. These districts attract a diverse and well-educated workforce—a key incentive for new and relocating businesses. These districts contribute to the creativity and innovation of a community.”⁴

Photos courtesy Paducah CVB

The certification program encourages community engagement and partnerships that “facilitate the stimulation and promotion of local cultural, economic, community, tourism, and social assets.” Paducah came to this recognition with one of the nation’s first and most successful artist relocation programs. Launched in 2000, the city offered renovated historic buildings to artists as living and business locations in this district listed on the National Register of Historic Places. In five years, with the help of the Convention & Visitors Bureau, tourists from Chicago, St. Louis, Memphis, and Nashville came to explore events like Second Saturday along with the dozen galleries and shops open to the public in what became known as the LowerTown Arts District.

⁴ Source: <http://artscouncil.ky.gov/Opportunities/CulturalDistrictCertification.htm>

Following the recession, the LowerTown Arts District rebounded with urban boutiques and distinctive dining housed in 19th century architecture; more than 20 artists live and work there. The cultural district expanded in 2013 with the advent of the Paducah School of Art and Design. The school is locating several of its major facilities in rehabilitated structures and future renovations will establish the campus as the arts hub for LowerTown and Paducah. Recognized as the fan favorite of the National Trust for Historic Preservation's "Dozen Distinctive Destinations" in 2011, Paducah uses its cultural assets as its brand. A member of UNESCO's Creative Cities Network, Paducah is one of seven cities designated as "City of Craft and Folk Arts."

Solid management and strong communication is essential to sustainability of the cultural district, not only during the planning process but also in its ongoing development and operation. This "internal" marketing informs residents, community leaders, local media, and cultural district stakeholders about the opportunities associated with marketing to tourists. Newsletters, e-blasts, and other local correspondence can be shared about the cultural district's development, management, and upcoming activities and events. The internal communications plan should be created by the cultural district host organization and distributed to all stakeholders: government officials, district businesses and organizations, DMO, media, cultural institutions, artists, and others engaged in the district's planning, development, and operation. This effort helps define and recognize the relationships and responsibilities of various stakeholders involved in the successful development, management, and marketing of the cultural district.

MARKETING THE CULTURAL DISTRICT TO TOURISTS

Integral to the planning and development of a cultural district for tourists is marketing. A proactive, comprehensive, and integrated marketing plan leverages resources, focuses on specific audience segments, and utilizes the most appropriate tools to maximize return on investment. The tourist-centric cultural district marketing plan begins with understanding the tourist profile and then defining specific strategies and tactics to attract them.

The cultural district's marketing plan should consider how advertising, sales, promotions, public relations, direct marketing, digital communication, and social media can inform potential and current tourists about the cultural district and its businesses, activities, and events. The marketing plan for the cultural district should be developed, implemented, and evaluated in tandem with the local and/or state DMO.

LOCAL MARKETING AND MESSAGING

Central to any cultural district are its distinctive identity, location, and products and services. To manifest this information in user-friendly communiqués distributed among a variety of platforms—from printed fliers and brochures to e-newsletters to websites and social media networks—requires a systematic approach and complete understanding of the local market and respective interest in cultural district news. For a cultural district interested in hosting tourists, the traditional internal marketing plan goes beyond the customary communications of business updates and events listings to using the delivery system as a way to inform leaders and readers on the impact of tourists. Citing statistics about visitation, spending, job creation, and any accolades attributed to visiting travel media and tour operators can help demonstrate the value of tourism to the cultural district, and the responsibility of hosting/delivering authentic, quality and consistent cultural experiences. Offering opportunities for engagement and support is key to building business, government, and media alliances, partnerships, and participation.

MARKETING TO ATTRACT TOURISTS

Tourism marketing is a competitive exercise, one requiring not only an understanding of audience segmentation but also of the competitive landscape. Every industry has its own language, networking systems, and distribution channels—and the tourism industry is no different. Understanding the national, domestic, state, and local tourism and association partners is as important as decoding the myriad of industry acronyms. Defining tourism industry marketing cycles can convey key opportunities to schedule promotions, trade show exhibitions, media and tour operator familiarization tours of the cultural district, and partnering with state and local DMOs for co-op advertising buys.

When preparing a marketing plan for the cultural district, the DMO should be the first partner to tap and engage. As stated previously, the local DMO has access to extensive market research designed to simplify the creative process and identification of appropriate tools to reach the desired tourists. The state tourism office is also a great resource for market research, and provides additional (often free) marketing programs for attractions, including cultural districts. Before a cultural district launches into development of a dedicated marketing plan, ask the local and state DMO these questions:

- Do you have a website portal where the cultural district can be promoted?
- Do you offer a cooperative media program (to buy advertising at a discounted or value rate)?
- Do you provide additional ways for cultural districts to promote to tourists via the industry? (e.g., host journalists or tour operators on familiarization tours; provide promotional items/gifts for trade show giveaways, sweepstakes, silent auctions at industry meetings; submit news for press releases and media marketplaces?)
- Do you have specific communication tools to reach tourists—such as social media marketing, direct mail campaigns, package tours, surveys, events calendars, e-newsletters, etc.—that the cultural district (and its local artists, businesses, venues) can utilize to reach potential tourists directly?
- Can the cultural district be included as an attraction (or as individual businesses, attractions) on any market research conducted by the destination, to help measure the impact (attendance, spending) of tourists?
- Are there additional ways the cultural district can collaborate and cross-market with the DMO?

As stated earlier, the marketing plan may be developed in concert with the DMO, by cultural district staff, volunteers, or outsourced to a local university or independent contractor. Preparation costs vary, depending on scale and scope of detail and research required.



Branding adds another layer and cost to marketing plan creation, with the district defining specific emotional connections to customers and articulating the experiences via a collection of visual and written cues (logo, messages, taglines, etc.)

Photos courtesy Indianapolis Cultural Trail, Inc. and Steve Greist Photography

E-mail marketing and websites are the most important communications tools for nonprofits, followed by Facebook, print (newsletters, direct mail), in-person events, and media relations/PR. According to the *2012 Nonprofit Communications Trends Report*, “online marketing tools” continue to dominate for both large and small organizations. Some other nonprofit marketing trends include: 1) having a marketing plan and incorporating marketing into strategic plans; 2) integrating communication channels, where messages are shared across multiple platforms to increase effectiveness in marketing and fundraising; 3) using social media to reach new supporters. (Source: *NonprofitMarketingGuide.com/2012trends*)

Linking its six cultural districts like a string of pearls, the **Indianapolis Cultural Trail** in Indiana stretches along eight miles of urban bike and pedestrian paths with seven pieces of public art and the Glick Peace Walk (celebrating 12 individuals that made peaceful progress) connecting Fountain Square, Indiana Avenue, Mass Avenue, White River, the Wholesale District, and Broad Ripple Village with the historic Fletcher neighborhood. The \$63 million project opened in May 2013, and Bikeshare became available in 2014.

According to a May 2014 *New York Times* article, “the public art along the trail accentuates the path’s role as a sculptor of the city’s evolving identity.” The article

continues, "Fountain Square, a designated cultural district southeast of downtown, separated by freeways has bloomed, its increasingly vibrant streets filling up with high-end dining spots as well as scrappy galleries."⁵

City officials report that the trail has been a great asset for marketing Indianapolis; as the article states, "more convention planners are now choosing Indianapolis because of it." The economic impact of the cultural districts and cultural trail is estimated at \$864.5 million, creating more than 11,370 jobs.

With the growth of social media and sharing economy, tourists often become destination ambassadors through postings on Facebook, Instagram, Pinterest, Four Square, Twitter, and other outlets. User-generated content sites like Trip Advisor, Yelp, and Urban Spoon are increasingly important influencer marketing sites, and tourist's reviews on these social platforms may catapult or dethrone cultural districts (or their specific attractions) based on their experiences.

⁵ New York Times, March 2014, "In Indianapolis, a Bike Path to Progress" http://www.nytimes.com/2014/03/09/travel/in-indianapolis-a-bike-path-to-progress.html?_r=1

MANAGING THE CULTURAL DISTRICT EXPERIENCES: DELIVERING ON THE BRAND PROMISE

The greatest challenge facing cultural districts today is providing consistent quality experiences. A cultural district, in its infancy, may be vibrant and dynamic, offering unique, and sometimes eclectic, combinations of locally owned and sourced businesses. As the cultural district matures, the management may find retail shops replaced by chain stores or more mainstream businesses. The growth in popularity can often lead to gentrification and a homogenization of experiences. The very appeal of the cultural district becomes lost in its popularity.

Attempting to find balance, management may choose to leverage the cultural district's dynamic appeal to tourists as a way to retain (even reclaim) its distinctive character. The everyday tension of delivering consistent quality experiences (satisfying perceptions of the brand) and enhancing customer service (exceeding expectations) is further exacerbated by the need to constantly develop and deliver new products for added value. Strong leadership, an innovative organization, and tourist evaluations help keep the focus on maintaining the cultural integrity of the district.

In South Central New York, Corning (11,108 residents) attracts more than 500,000 tourists annually. The **Corning Gaffer District** showcases the town's heritage and expertise: glassblowing. Three major attractions include Corning headquarters, Corning Museum of Glass, and the Rockwell Museum of Western Art. Events such as Glassfest, Sparkle, and the Wineglass Marathon pay tribute to the medium that began more than 160 years ago.

To maintain the focus and integrity of the cultural district, the Corning Intown District Management Association oversees preservation and design, 75 annual events, marketing, and communications. Two visual designers install storefront



Photos courtesy Jehiel Boner



displays for businesses to reflect the cultural district's brand and local business image and attract pedestrian/street traffic; more than 60 businesses participated in this program in 2013. A Manager of Business Development focuses on business recruitment, retention, and development; in 2013, 15 new businesses opened (currently 260 businesses within the Gaffer District boundaries) operating at 92 percent storefront occupancy. Also in 2013, the management association led the reopening of the Centerway Bridge with new landscaping and benches.

Has this proactive management paid off? The Corning Gaffer District was featured in American Express' national recognition of downtowns and promotion for "Shop Small Business Saturday." Corning also received a number of accolades in recent years: named by *Travel & Leisure Magazine* as one of the most beautiful town squares in America; named by *Rand McNally Best of the Road 2013* as the "Most Fun Small Town in America," and the American Planning Association named Corning as one of the top 10 great places in America for 2013.

MEASURING THE IMPACT OF CULTURAL TOURISM ON CULTURAL DISTRICTS

Research is a conversation. If management of a cultural district asks the right questions and listens to the customer (the tourist), the responses may prove insightful, instructional, and informative. Market research begins with identifying the right questions a cultural district wants answered, then selecting the correct methodology and survey instrument to obtain those answers from the desired audience.

DESTINATION MARKETING ASSOCIATION INTERNATIONAL'S (DMAI) SYSTEMATIC APPROACH FOR MARKETING ARTS/CULTURAL DESTINATIONS	
Where are we now?	Planning and Research
Where would we like to be?	Analysis & Strategy
How do we get there?	Implementation
How do we make sure we get there?	Control
How do we know if we got there?	Evaluation
<i>Source: Don Anderson, DMAI Certification Consultant</i>	

TYPES OF TOURISM RESEARCH

A frequent challenge for cultural district planning is the lack of consistent data available, not only from district to destination but also in the description of “cultural” categories and the cycles in which research is planned. These challenges begin with the lack of a uniformly accepted activities or categories. Despite these challenges, planners must proceed by cobbling together existing (secondary) data and conducting original (primary) research when possible. The DMO can advise on the best ways to acquire information and analyze data for action. Common types of tourism research include:

Tourist Volume Data: to determine the current number of visitors to the cultural district. To obtain cultural tourism data, the district businesses or management can ask what activities a visitor engaged in during his/her stay in the destination. By querying the tourists, additional demographic information may be obtained such as where he/she lives (zip/postal

code or origin city), age (traditionally by range), sex, education and income levels, marital status, and number in travel party.

Tourist Expenditure Data: to determine how much the tourist (and their travel party, if available) spent in the destination. For cultural districts, the survey can ask specific questions about where money was spent and on what items. There are several research methods to collect this expenditure data:

- *Travel surveys*—either at the beginning of a trip (point of entry) to anticipate expenditure and activities; at the end of a trip (exit) to recap spending and activities; en-route surveys (for instance, at a state visitor information center)
- *Household surveys*—conducted by mail, via telephone calls, or personal interviews. The mail is the slowest and has the lowest response rate, but can be sent to a broader sample of tourists. Telephone calls are frequently used to conduct research although the response rate is still not great (due to the advent of telemarketers). Personal interviews cost the most, but retain the highest volume of information and greatest response rate. E-surveys are growing in popularity, but do have bias (against anyone not owning a computer or e-mail address) and have low response rates unless incentives are offered and originate from a known address to reduce “spam” complaints.

Potential Customer Surveys: designed to better understand the demographics, opinions, and behavior of desired target audiences. Assembling focus groups comprised of representatives from the target markets or distributing a survey to these potential customers can obtain this information.

Customer Satisfaction Surveys: often distributed at the end of visit (to an attraction, business or hotel) as an “exit survey” or “intercept survey” to capture immediate impressions and opinions by tourists. Destinations can also distribute customer satisfaction surveys electronically to former customers to obtain feedback about experience satisfaction.

Resident Attitudinal Survey: identifies how residents feel about certain issues, activities, events or plans distributed to a sample of residents. This type of survey can also be modified for specific host groups of the planning process (stakeholders, indigenous peoples, cultural organizations). Asking opinions and gaining feedback is an important part of a transparent planning process. Conducting future attitudinal surveys (with use of some of the same questions from the planning questionnaire) can be informative for comparison and analysis over time.

Evaluating the impact of cultural districts often requires collaboration with transportation departments or DMOs. As non-gated areas (no ticket required for admission), cultural districts must determine reliable methods to capture accurate visitation, spending and tax revenue generation. Not impossible, but more costly and often labor intensive as surveying must be conducted in consistent and systematic ways to ensure accuracy and validity in the data collection and analysis. DMOs may provide the best source of market research to

demonstrate the cultural district's contribution to or motivation for tourist's visits to the destination. The DMO may also be able to compare the impact of the cultural district with other categories of attractions or motivations for travel. Local universities and colleges or consultants are also excellent sources to tap for conducting credible market research.

Roosevelt Row Art District in downtown Phoenix is the half-mile radius around the Arts District Light Rail and Central and Roosevelt Streets. The nonprofit Roosevelt Row Community Development Corporation (CDC) fosters the cultural character and creative assets of the arts district. The organization's mission also includes advocating for the continuing presence and role of the arts; revitalization of the 20-year-old district; and nurtures a dense, diverse, sustainable urban community with award-winning restaurants, galleries, boutiques, and live music venues.

In October 2012, the Phoenix Police Department hired an independent engineering firm to track pedestrian traffic along the intersection of Fifth Street and Roosevelt. This site is the center of the monthly A.R.T.S. Market and First Friday event, where more than 70 galleries and cultural district businesses open their doors. A record 54,000 people attended one of the largest free, monthly, self-guided art walks in the U.S.⁶ The market research did not differentiate between local residents and tourists. (<http://www.rooseveltrow.org>)

⁶ Source: 2012 Annual Report: Roosevelt Row CDC, <http://www.rooseveltrow.org/wp-content/uploads/2011/02/2012-ANNUAL-REPORT-Download-PDF.pdf>

CONCLUSION: LESSONS LEARNED & CONSIDERATIONS FOR CULTURAL DISTRICTS SEEKING TOURISTS

Cultural districts seeking to attract tourists face both challenges and opportunities. As mentioned, one of the greatest challenges is recording impact attributable to tourists versus residents. When planning a cultural district, stakeholders must consider how to accurately measure the impact and outcomes—especially related to tourists and their spending. Engaging a DMO in this exercise will yield perhaps the most credible and sustainable data for use by the destination and the cultural district organizers.

Anticipating the needs of future target audiences, especially cultural tourists, is important when developing the cultural district. Understanding these audiences and their behavior can determine whether the cultural district is able to attract these customers to their area. Constant monitoring of customer satisfaction and request for insights on new products and experiences can inform future development. Obtaining secondary research, monitoring trends, and mining existing data may be instructive for planning special events, promotions, itineraries and package tours.

The complexity of stakeholders may present a challenge for the cultural district. From private businesses to individual artists, performance venues to nonprofit organizations and museums, the plethora of partners engaged in cultural districts represent diverse voices to bring to consensus around marketing and development. Ensuring transparency and broad-based participation is paramount to gaining support and branding the cultural district collectively—especially when marketing to tourists in other locations. Strong communication, constant performance assessment, and review of ongoing planning documents keep the cultural district aligned and accountable to its original intent and vision—as a magnet for tourists and their spending.

Despite these challenges, cultural districts offer tourists—and the communities themselves—a dynamic opportunity in the form of distinctive and engaging experiences. The very definition of a cultural district contributes to its strength and growth potential for tourism. No cultural district is alike, even though some of the components and goals may be the same. This distinction, and the focus on a community’s cultural character, provides a powerful positioning statement for a destination seeking to showcase its unique and authentic assets. As long as tourists favor cultural activities, cultural districts may find out-of-town guests ready and willing to explore and engage in their events and experiences.

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About the Author

A 30-year travel industry veteran, Cheryl Hargrove is the founder and coordinator of the bi-annual Cultural Heritage Tourism Exchange in Washington, DC, designed as a networking forum to advance the industry sector in the United States. Best known as the National Trust for Historic Preservation's first Director of Heritage Tourism, Hargrove also served as Associate Director of National Geographic's Center for Sustainable Destinations and worked for Travel South USA. She holds a masters of tourism administration from The George Washington University in Washington, DC and is also a graduate of the University of Georgia's Grady School of Journalism. She recently authored and is currently teaching a course on cultural tourism planning for the University of British Columbia and is also adjunct professor of marketing and tourism for the College of Coastal Georgia.

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1000 Vermont Avenue NW
6th Floor
Washington, DC 20005
T 202.371.2830

One East 53rd St.
2nd Floor
New York, NY 10022
T 212.223.2787

www.AmericansForTheArts.org