

RESEARCH

U.S. Heritage Tourism Enthusiasts – A Special Analysis of the Travel Activities and Motivation Survey (TAMS)

Executive Summary

**Research
report
2002-9**

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U.S. Heritage Tourism Enthusiasts

A Special Analysis of the
Travel Activities and Motivation Survey (TAMS)

Executive Summary

I. Introduction

Canada offers a wide range of tourism experiences to potential travellers from the United States. In order to obtain a better understanding of the potential size, characteristics and interests of American activity-based market segments, the Canadian Tourism Commission (CTC) commissioned Research Resolutions & Consulting Ltd. to undertake special analyses and reports based on the Travel Activities and Motivation Survey (TAMS). This report focuses on **Heritage Tourism Enthusiasts** - Americans who have taken leisure trips in Canada and exhibit a particular interest in heritage-oriented activities when they travel. As such, they have taken leisure trips in Canada and, in many cases, to other destinations in the past couple of years and have included at least four of the following activities on these trips.

- Aboriginal cultural experiences in a rural setting
- Pow Wow/other Aboriginal celebration
- Aboriginal attractions
- French Canadian cultural experiences
- carnivals such as Mardi Gras
- western theme events
- farmers' fairs or markets
- local festivals or fairs
- children's museums
- general history museums
- science or technology museums
- historical replicas of cities/towns
- historic sites
- pick your own farms / harvesting

These tourists provide a rich source of information for tourism businesses and marketers who want to increase or retain the Heritage Tourism Enthusiast market from the U.S.A. in the future.

In addition to a *current* profile of Heritage Tourism Enthusiasts, the TAMS survey has been modified to permit an assessment of the impacts of an aging population on market potential for this group. Using population projections for the U.S.A. obtained from the U.S. Census Bureau, TAMS data were "aged" twenty-five years into the future. Comparisons of the market size, composition, and travel behaviour of Americans in 2000 with estimates of the market profile in 2025 provide tourism planners and marketers with critical information about the products and services that may be required in the future to attract tourists from Canada's largest foreign market. The final chapter of this report is devoted to the impacts of population changes on the U.S.A. Heritage Tourism Enthusiast market.

Additional reports, featuring profiles of other outdoor and cultural segments in the United States and Canada are available from the CTC. Topics include Soft Outdoor Adventure Enthusiasts, Visual Arts, and Performing Arts Enthusiasts, Wine and Culinary Enthusiasts, and Winter Outdoor Activity Participants.

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II. Executive Summary

A. Heritage Tourism Enthusiasts: Market Size

- Of the 200.4 million American adults in 2000, about 34.5 million are Heritage Tourism Enthusiasts (17%). Of these, almost 1-in-4 claim to have taken a leisure trip within Canada during the past two years or so. Thus, Canada's market for the heritage segment is approximately 8.3 million American adults.
- Canada draws a disproportionately high number of its Heritage Tourism Enthusiasts from border states: 18 per cent of the total U.S.A. population live in states on the Canada/U.S. border while 28 per cent of Heritage Tourism Enthusiasts who come to Canada do so. Attracting these tourists from the long haul U.S.A. markets poses a greater challenge: 54 per cent of Americans live in Tier III states but only 40 per cent of Heritage Tourism Enthusiasts who come to Canada live in this southern band of states. At the same time, a higher proportion of Heritage tourists come from long haul markets (40%) than do travellers to Canada as a whole (35%), suggesting particular success in attracting these potentially high spending travellers with heritage products.
- Heritage Tourism Enthusiasts travel to Canada's regions in much the same way as do Americans with any recent Canadian experience. As such, they are most apt to have visited Ontario in the past couple of years (58%), followed by British Columbia (33%) and Quebec (32%). Smaller proportions visit Atlantic Canada (15%) and the Prairie provinces – Alberta (10%) and Manitoba/Saskatchewan (7%).
- The single exception to the "typical" destination pattern for Americans who come to Canada on leisure trips is Quebec. Possibly because of the predominance of the French language and the old world architecture of Quebec City and Old Montréal, one-third of Heritage Tourism Enthusiasts from the U.S.A. are drawn to Quebec but only one-quarter of the general American travelling public that comes to Canada includes Quebec on its itineraries.
- There is a robust competitive environment for Canada within the Heritage Tourism Enthusiasts segment. These tourists display an almost universal tendency to take leisure trips *within* the United States (96%) and are also apt to travel to Mexico or the Caribbean (25%). They have a particularly strong interest in Europe (28%) and destinations in other countries (21%).

B. Heritage Tourism Enthusiasts: Demographic Characteristics

- Compared to the total market for all leisure tourism experiences over the past couple of years, Heritage Tourism Enthusiasts are substantively under-represented among younger Americans, and especially among those between 18 and 34 years. This age group represents 1-in-4 U.S.A. travellers as a whole (24%) but less than 1-in-5 Heritage Tourism Enthusiasts (18%).
- Most Heritage Tourism Enthusiasts live in adult-only households – those with no members under the age of eighteen. Fewer than one-third are likely to be in the market for heritage experiences that take into account the interests and needs of teenagers or children (30%).
- Heritage Tourism Enthusiasts are also somewhat more affluent than is the "typical" American traveller in Canada, with an average household income of \$71,100 (US\$) compared to \$65,200 (US\$) for the typical leisure visitor to Canada (1998 dollars). Higher household incomes are consistent with higher levels of formal education: over one-third of Heritage Tourism Enthusiasts have at least one university degree (34%) and a further one-half (49%) have had some post-secondary education.

C. Heritage Activities among Heritage Tourism Enthusiasts

- By definition, Heritage Tourism Enthusiasts participate in multiple heritage-related activities while on trips. They may have engaged in these activities while on a recent trip to Canada or on trips to other destinations, worldwide. The most popular heritage activities – sought by between one-half and one-third of these tourists while on a trip in the past couple of years – span museums, farmers’ markets, festivals and historic sites.

Activities Engaged in by more than 30% of Heritage Tourism Enthusiasts

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|-----------------------------------|---------------------------------------|
| • General history museums (81%) | • Science & tech museums (64%) |
| • Farmers’ fairs or markets (68%) | • Historic sites (63%) |
| • Local festivals or fairs (67%) | • Historical replicas of cities (55%) |
- Other heritage activities that attract between 10 per cent and 30 per cent of Heritage Tourism Enthusiasts include children’s museums, Aboriginal cultural experiences or attractions, French Canadian cultural experiences, harvesting, western theme events, and carnivals such as Mardi Gras.

Activities Engaged in by 10% to 30% of Heritage Tourism Enthusiasts

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| • Children’s museums (28%) | • Aboriginal cultural experiences (23%) |
| • Aboriginal attractions (28%) | • Western theme events (21%) |
| • French Canadian cultural experiences (26%) | • Carnivals (15%) |
| • Pick-your-own farms/harvesting (25%) | • Pow Wows/Aboriginal celebrations (12%) |

D. Overlap With Other Activity-Based Segments

- U.S.A. Heritage Tourism Enthusiasts with recent leisure travel experiences in Canada have relatively wide-ranging tourism interests. Over half of this market segment are also Visual Arts Enthusiasts (4.4 million), more than one-third fall into the Wine and Culinary Enthusiast market (3.1 million) and slightly fewer are also Performing Arts Enthusiasts (2.6 million).
- Nature-based tourism experiences also appeal to Heritage tourists – over one-third are Soft Outdoor Adventure Enthusiasts (2.9 million).
- These overlaps suggest considerable opportunities for cross-market packaging and promotion of indoor and outdoor tourism products within the Heritage Tourism Enthusiast market that comes to Canada from the U.S.A.

E. Image Challenges & Media Sources

- Even though they are Heritage Tourism Enthusiasts, these Americans proffer their highest ratings of Canada for attributes that are associated with the *outdoors*:
 - ⇒ A place with beautiful scenery;
 - ⇒ Clean and well cared for;
 - ⇒ A great place for fishing;
 - ⇒ A place with lots of things for mature adults to see and do;
 - ⇒ A great place to relax and get away from it all;
 - ⇒ A place with lots of things for families to see and do;
 - ⇒ A place with friendly people;
 - ⇒ A great place for hunting.
- Ratings for having many cultural attractions and events and seeing important historical sites and significant places in history, along with being a place to experience different cultures and ways of life, fall below the many outdoor-oriented characteristics including those highlighted above. These heritage and culture-oriented attributes achieve lower levels of support from Heritage Tourism Enthusiasts from the U.S.A. than do dimensions such as one of best destinations for outdoor activities, experiencing adventure and excitement, being safe for visitors, being clean and well cared for, friendliness, and a destination with a lot for young people to see and do.
- Americans are only moderately impressed with Canada as a location in which to experience different cultures, see historic sites and important places in history, and Aboriginal culture. Those in the Heritage Tourism Enthusiast segment are least positive about Canada as a destination with a popular or trendy image and as one to visit in the winter.
- Image building and product awareness messages to Heritage Tourism Enthusiasts are likely to achieve the highest reach in daily and weekend editions of local newspapers, including the travel sections of these editions and through the American Automobile Association (AAA). Membership lists from art galleries, museums, botanical gardens and zoos might also be useful tools for reaching Heritage Tourism Enthusiasts in the U.S.A. since they are members of these types of organizations at much higher rates than is the typical American adult.

F. Impacts of Population Changes

- Several fundamental changes in the U.S.A. population structure might be taken into account in tourism planning and product development in Canada over the next two decades:
 - ⇒ As the primary market for inbound tourism from the United States, border and mid-tier state populations will grow at an appreciably *lower* rate than will the population of the U.S.A. as a whole, and particularly the southern tier of the U.S.A. At an estimated 18 per cent increase in the adult population of states that are on the Canada/ U.S.A. border by 2025 compared to a 27 per cent increase for the entire country, the pool of Americans from which Canada has to draw from for the all-important “border” market will increase at a lower rate than will more distant parts of the U.S.A. By 2025, the border state population is estimated to reach 42.3 million adults from its current level of 35.9 million.
 - ⇒ Older people – those who are at least 55 years of age – will represent an increasingly sizeable proportion of the American population. They currently account for over one-quarter of the adult population (27%) but will represent over one-third by 2025 (37%).
 - ⇒ As the population ages, the proportion of American adults living in households with children will decline. At this time, 1-in-3 adults live in households with teenagers or children (34%), but this proportion will decline to less than 3-in-10 by 2025 (29%).

G. Implications for Heritage Tourism Enthusiasts

- There will be an increase in the absolute number of Americans who will be in the market for heritage activities between 2000 and 2025, from an estimated 34.5 million now to about 47.1 million in 2025. Canada’s likely share of this market – those who will seek heritage experiences and take leisure trips to Canada – is also expected to grow substantively, from 8.3 million to 12.3 million.
- These growth rates are *higher* than the population growth rate of the U.S.A. as a whole, primarily because heritage activities tend to appeal to older people. Just as the older end of the age spectrum will increase as a proportion of the total population over the next two decades, so too will the market for heritage tourism . . . so long as changes are made in the amenities and services offered by tourism businesses who serve this market segment to accommodate the needs and interests of an aging population.
- Assuming that behaviour patterns evident in 2000 are sustained to 2025, the Heritage segment will be the largest of the market segments identified by the CTC as ones of special interest. At a predicted 12.3 million heritage tourists who take leisure trips to Canada by 2025, this segment is expected to out-perform Visual Arts Enthusiasts (9.2 million), Soft Outdoor Adventure Enthusiasts (8.8 million), wine/culinary tourists (7.5 million) and Performing Arts Enthusiasts (5.1 million) by wide margins.

H. Summary

- The Heritage Tourism Enthusiast market for Canada from the U.S.A. is characterized by its relative age, affluence and post-secondary education.
- Cultural activities with the greatest appeal to these tourists include museums, festivals, fairs and markets.
- Of the activity segments of special interest to the CTC, Heritage Tourism Enthusiasts currently represent the largest pool of potential visitors for Canada's tourism businesses – 34.5 million adult Americans. Of this sizeable pool, only 1-in-4 have taken recent leisure trips to Canada (8.3 million), leaving considerable opportunity for growth.
- The potential in-bound American market has considerable growth potential over the next two decades, in large part because it appeals to older people – the segment that will experience the greatest “growth spurt” between now and 2025.
- There is a relatively strong link between Heritage Tourism Enthusiasts and outdoor enthusiasts that could be used for cross-marketing and packaging. Such efforts may have to take into account the need for varying levels of physical exertion so that tourism businesses can continue to attract the energetic, action-oriented youth and family markets but can also attract the increasing number of older Americans who may retain their interest in the outdoors but will require gentler outdoor experiences.
- Image building for Canada's heritage products over the next two decades will likely be required to increase the enthusiasm of Heritage Tourism Enthusiasts for destinations in Canada vis à vis the U.S.A. and Europe.