Georgia®

Preliminary Overview of Georgia's Museums Interconnectivity with Georgia's Tourism Industry

Georgia Department of Economic Development • 75 Fifth Street, NW • Suite 1200 • Atlanta, Georgia 30308

Project Executive Summary

Museums play an integral part in Georgia's tourism industry. They support the continued economic growth of this sector. Heritage tourism includes travel to sites that represent or celebrate an area, community, or people's history; identity or inheritance. According to a report on the economic impact of historic preservation in Georgia, a significant share of tourism comes from visitors drawn by Georgia's historic attractions. The survey reports on Georgia Welcome Centers in 1995, which mirror the results most recently conducted for 2007-2008; nearly half of visitors planned to visit a historic or cultural site during their stay. The most recent published data on the economic impact of museums conducted through a survey done by the Georgia Association of Museums and Galleries estimated it reached 4.4 million visitors spending over $44 million in other spending in the local area.

According to data released from the Travel Association of America, historical places/museums are popular attractions for U.S. travelers taking trips within the United States. A majority (58%) of U.S. adult travelers included a historic activity or event on a trip during the past year. This translates to an estimated 84.7 million U.S. adults. Their households generated 143.5 million person-trips including a visit to historical places or museums in 2002. In fact, 41 percent of past-year travelers say they visited a designated historic site, such as a building, landmark, home, or monument (41%) during their trip. Three in ten (28%) visited a designated historic community or town.

With new threats and challenges for the tourism industry such as rising gas prices or stressed economy, museums are facing the impacts of these problems with stagnated attendance, revenue, or pressure in acquiring new revenue thorough grants as funding sources are cut back. Competition from the tourism market poses a challenge for museums to find innovative ways to establish themselves as attractions and draw visitors. Well defined marketing goals could negate the trends seen in this market segment. The report seeks to assess the degree to which museums are currently connected to the tourism marketing community. It provides an initial foundation for the tourism industry and the museum sector to address and develop solutions for:

- A distinct definition of cultural heritage; Tourism planners, managers, representatives, and can help to bridge that gap. The effort to create a better understanding of cultural and heritage tourism as a distinct market must encompass museums market goals and challenges.

- Discover which travelers intend to visit historic homes and sites in the near future, the state could negate the effects of museums challenges.

- The only sustainable audience development projects are those done in equal partnership with other experts and the audience themselves. Museums will, therefore only break down barriers and broaden their audiences if they confront the issues holistically by being part of a multi-agency approach and working with partners such as other local community groups, county, city, and state agencies or departments.

Introduction

Georgia's museums are an integral part of the heritage and cultural identity of an area, region, or community. To date, museums and their staff have played a central role in providing the curatorial, research, and public education services for the growing heritage tourism sector. Museums seek to increase their efforts toward achieving a more secure financial base for the future through a combination of sound management, self-help, and appeal for support. As museums purse cost creative ventures for increased earned income, the future financial stability of museums will depend on their capacity to address their economic prospects with an innovative eye. With diminishing resources, collaboration among museums and other organizations is crucial. Successful management of historic sites depends on revenue and is the key criterion to attract tourist to historic areas.

Background

There are differences between the cultural heritage tourism set and those who are within the cultural and heritage industries. Museums must convey to the tourism industry, the significant and complex issues facing museums and heritage sites. The effort to create a better understanding of cultural and heritage tourism as a distinct market must encompass museums market goals and challenges. Bridging the gap involves tourism planners, managers, representatives, and marketers.

Museum attendance is a major tourist activity; however visits to historic house museums across the U.S. are on the decline. Regionally, more people in the South Atlantic portion of the U.S. (35%) indicated that they plan to visit a historic house museum, particularly due to the number and variety of historic antebellum mansions, and civil war attractions in the region. According to the National Trust for Historic Preservation, "The scarcity of marketing dollars requires sites to carefully target the visitors they are trying to reach and the increasing need to also market locally". Travel research shows that the 'visiting friends and relatives' market is a highly desirable audience as locals often take their guest on tours of their community's cultural heritage attractions.

The 1st quarter preliminary report from the Georgia 511 travel call center showed that 10.1% of all calls were referred by family or friends. The 2008 winter quarter report from the state visitor information centers reported that 24% of travelers' reasons for coming to Georgia were to visit family and friends. In addition, majority of travelers found out about Georgia through family and friends. The 2008 spring quarter report showed similar results. 27% of travelers' reasons for visiting Georgia were family and friends and majority also found out about Georgia though family and friends.

Remote isolated attractions may have difficulty drawing visitors and attraction important for tourism destinations. Cultural tourism products are secondary attractions of the majority of 'cultural tourist'. A study conducted in 2003 on failed tourist attractions found that the range of issues included isolation from other attractions, poor location, insufficient market appeal, or unrealistic visitor projection. The only sustainable audience development projects are those done in equal partnership with other experts and the audience themselves. Museums will, therefore only break down barriers and broaden their audiences if they confront the issues with options such as by being part of a multi-agency approach and working with partners such as other local community groups, county, city, and state departments or agencies.

Goals and Objectives

The starting point was the analysis of issues facing the museum sector in their efforts to attract tourist. The survey project was executed through SWOT analysis and a survey of museums in each travel region. The survey project sought to determine and analyze:

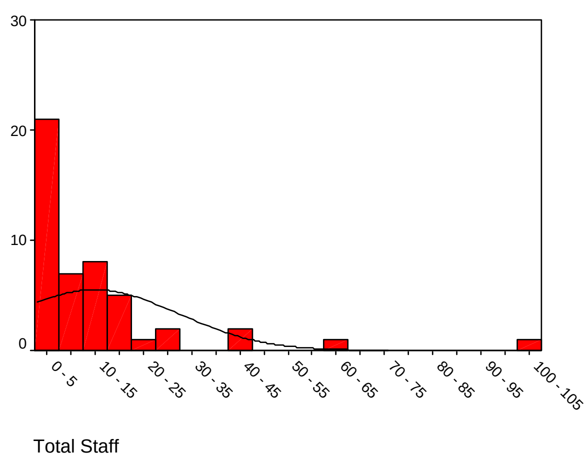
- Effectiveness of management and synergy with other marketing organizations. Types of partnerships have been achieved and how they benefited the museum.
- Museums connectivity to the group tour market.
- Statistical and business performance measures and ratios; annual and monthly number of visitors, and visitor by type, non-visitor related revenue by category and main category of users.
- The number and locations of museums with similar interests and historic themes to develop coordinated marketing efforts.
- Degree to which programs are related to the growing niche demographics likely to frequent their museums.

Scope and Methodology

A basic survey was mailed out to all museums listed in the department's business database that were classified by NAICS code 7121, as a museum establishment. The listings were sorted by travel region. A follow up survey was also distributed online via the Georgia Museums and Galleries list serve.

Travel Region	Number of Museum Establishments
Plantation Trace	22
Presidential Pathways	30
Historic Heartland	24
Magnolia Midlands	3
Historic High	17
Atlanta Metro	60
Coast	40
Classic South	14
NE Mountains	9
Total	219

Museums Distribution of Staff Size



We had a 26% response rate to this survey with a total of 57 museums participating. Majority of the museums in this distribution are small based on the size of the staff. Many museums represented have volunteer staff and few with full time staff. The survey included data collection on museum resources, market demand and marketing, tourism industry connectivity, and a strengths, weaknesses, opportunities, and threats assessment for their respective museum. The data was analyzed using SPSS. The collective demographic results were inconclusive.

Key Findings

The respondents were asked to identify their museums particular strengths, weaknesses, opportunities, and threats. The responses were then quantified into basic categories.

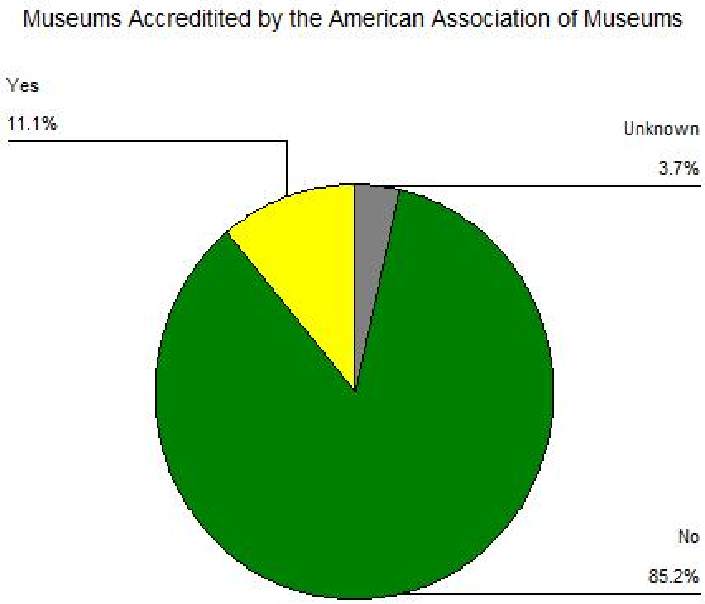
Quantified SWOT Review on Georgia's Museums	
Categorized Responses	**Response Count**
Identified Strengths	
Collections/Exhibits/Archives/Library	10
Niche Markets	3
Programs and Education	4
History	8
Location	13
Staff	8
Identified Strengths	
Location	7
Funding	10
Competition/Marketing	16
Facility/Exhibits	11
Staff and Training	8
Identified Strengths	
Community Support, Involvement, and Interest	7
Exhibits	5
Location	3
Programs	6
Growth and Expansion	9
Marketing	10
Indentified Threats	
Funding	29
Visitation	7
Revenue	10
Support	8
Economy/Gas Prices	10
Competition/Marketing	5
Staff and Volunteers	4

***Many indicated group and school tour cuts.*

**Please note: some museums opted not to complete this section of the survey.*

The results from the self assessments completed by museums indicated that leveraging support for their institutions are a primary threat and challenge. The American Association of Museums Accreditation is a national program that recognizes a museums commitment to excellence, accountability, high professional standards, and continued institutional improvement. This accreditation program clearly demonstrates its value in:

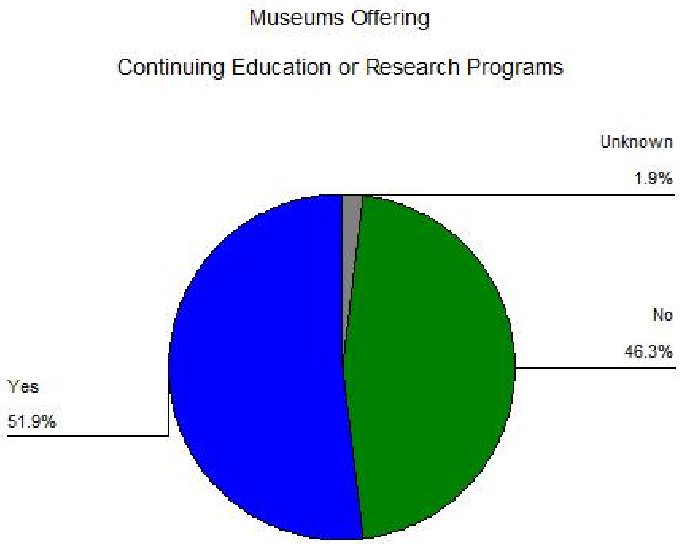
- Lobbying local and state governments
- Improved relationships with other museums resulting in more loans and traveling exhibitions
- Using accreditation as a leveraging tool to attract support for capital improvements



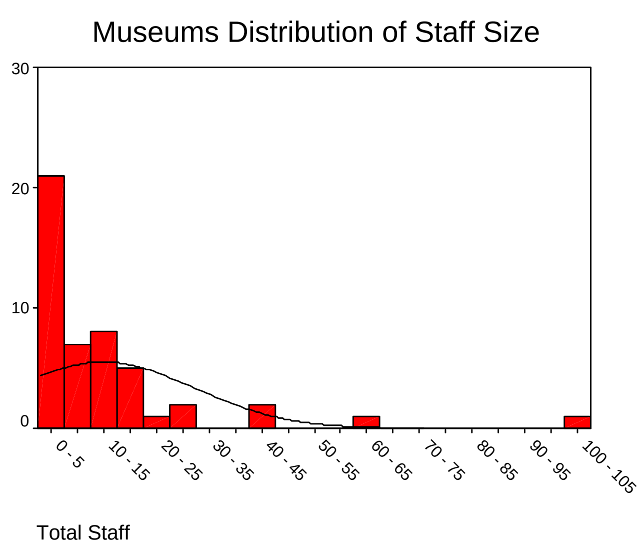
The results indicate that 85.2% of respondents are not currently accredited by this program. Some indicated they are in the review process or do not have the funding necessary for this program. 79.6% of respondents did indicate that they were affiliated with a related museum or heritage association. Of the other various national and regional associations indicated, the Georgia Association of Museums and Galleries was the primary professional development association indicated. It is comprised of more than 200 members including individuals, businesses, art, history, natural history, and science museums. Through various programs at the state and local levels, it also addresses the support challenges that museums face:

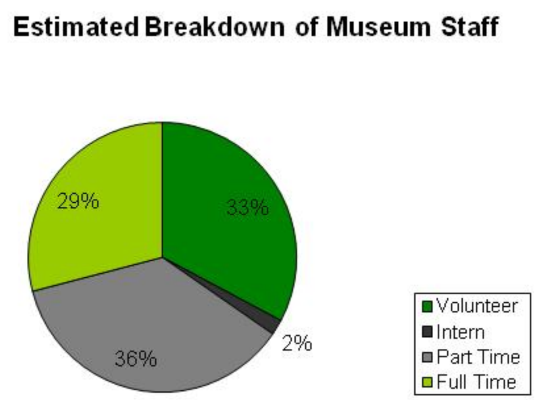
- Stimulate public interest, support, and understanding of museums and non-profit galleries of all disciplines
- Increase general understanding of the roles of museums and non-profit galleries as community resources

Continuing education and research programs serve as an extension for museums to expand on the cultural and heritage context of their exhibits to the community. Each plays an integral part in establishing the museum as a community resource as well as a viable destination to local and visiting patrons. Further, these programs appeal to the diverse cultural or genealogy interest of visitors, possibly promoting general sightseeing to experience the overall history of the community. The respondents indicated that 51.9% of their museums offer some form of continuing education or research programs.

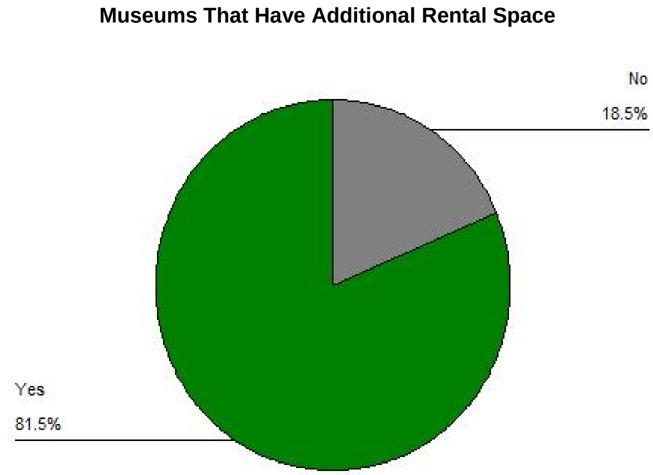


Many respondents indicated that volunteers and staff size are major challenges and a threat to their museums. Volunteers play a valuable role as an extension of museum staff. They offer visitors a personal dimension in buildings filled with valuable, historically significant artifacts. Through their assistance, visitors receive the services of a teacher, docent actor, information specialist, and museum representative. Majority of the respondents were small museums. They reported that a third, of their staff is volunteer, and only 29% of museums have full time staff.

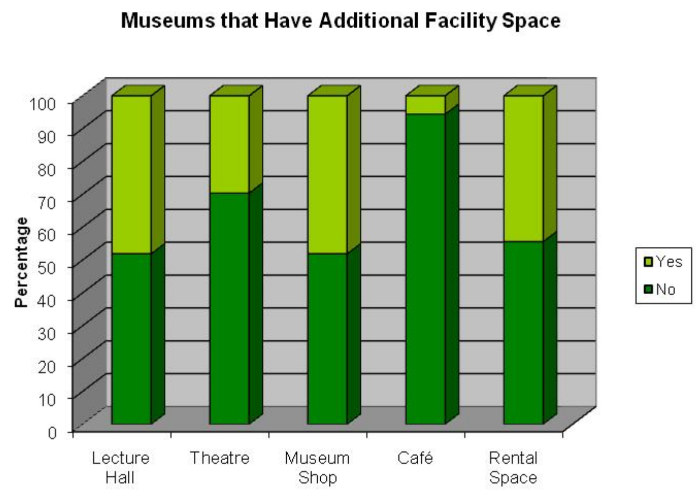


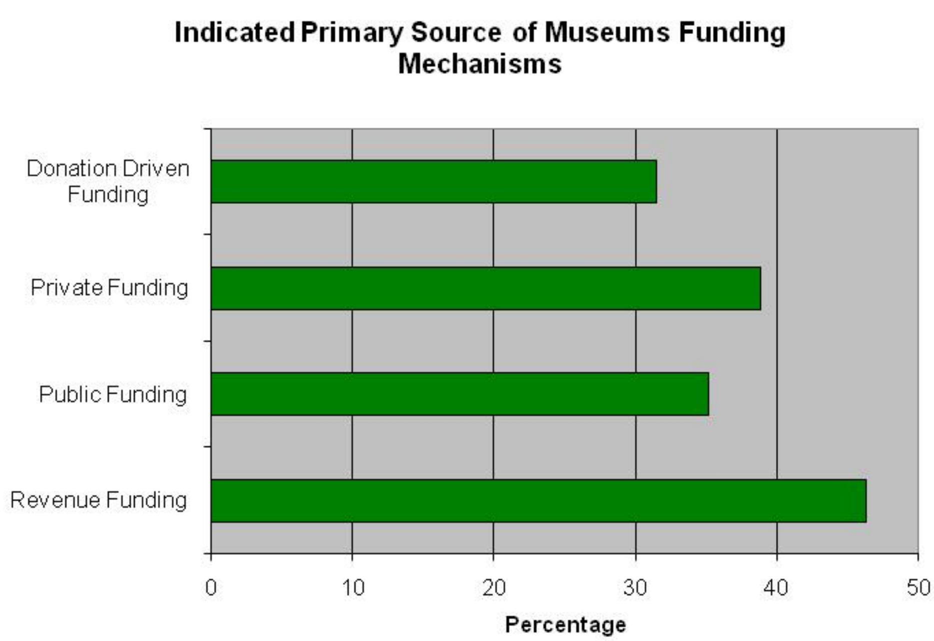


Museum facilities were a noted challenge for many of the respondents. The facility itself helps to drive visitation by having the capabilities to support expanded or traveling exhibits. In addition, 81.5% of the museums diversify their facilities so they can capture additional revenue for operational costs. Respondents indicated that 44.4% have dedicated rental space for meetings and events. Some respondents have facilities that foster continuing education programs such as a theatre (29.6%) and lecture hall (48.8%). Some education programs also contribute to additional revenue through classes and seminar charges or donations.

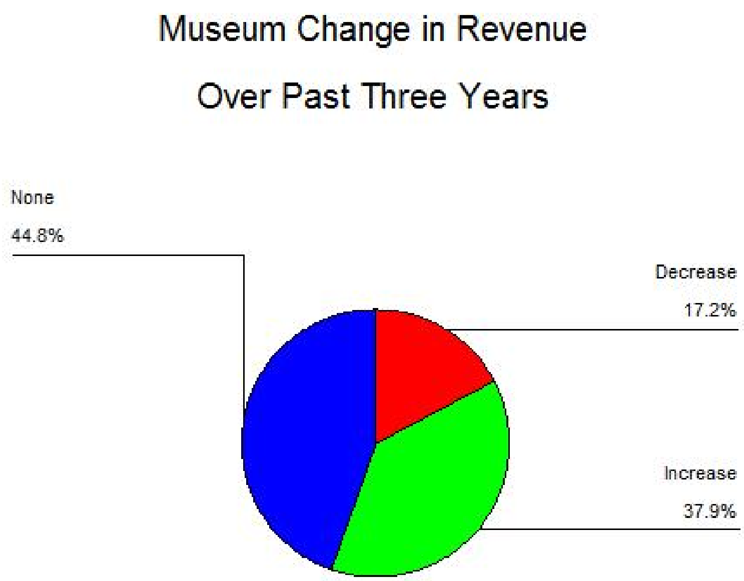


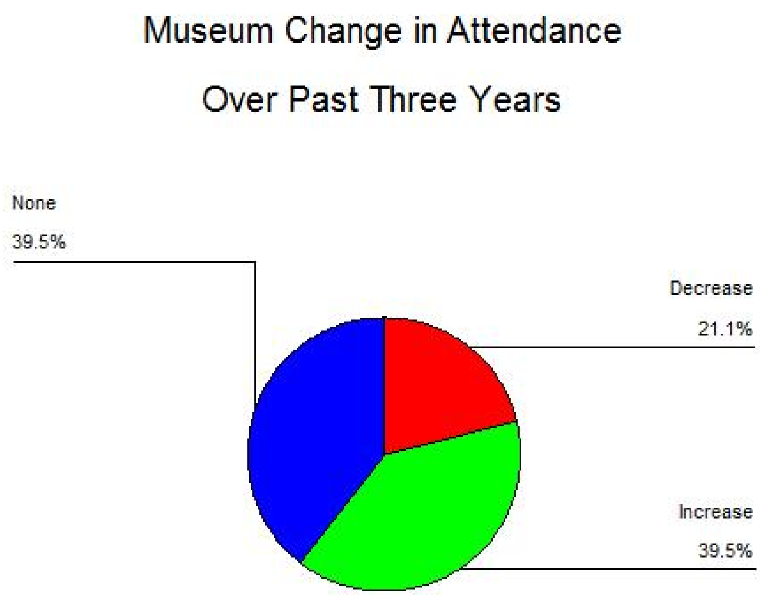
Expansion of capital for improvement projects for facilities may also help to promote the creative economy by serving as an important venue for local performers, artists as well as film and concert series. 41.8% of museums respondents recognize revenue potential by having a museum shop for its secondary products. Further, 46.3% of respondents indicated their primary funding mechanism is from generated revenue.



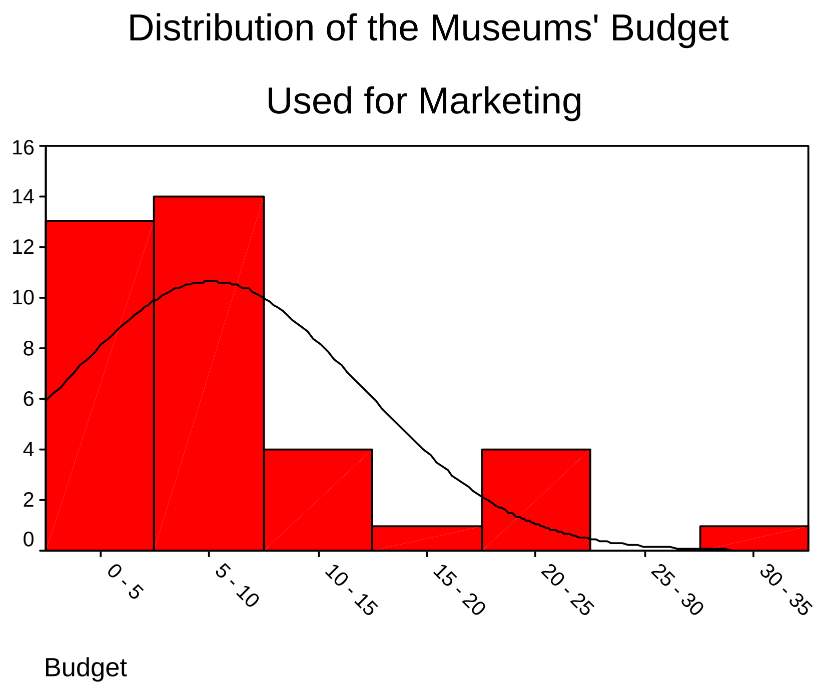


Revenue and funding were also cited as major challenges and threats to a museums viability and success. The estimated revenue generated for 2007 as reported by the respondents was $15,288,507 million. Respondents estimated 1,745,474 visitors in 2007, which is a primary indication of revenue. Slightly more than a third of respondents indicated an increase in visitation or revenue over the past three years.

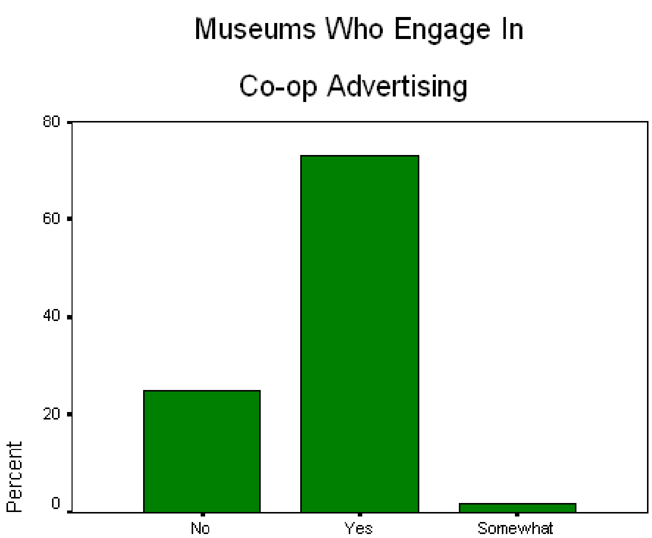




Visitation was also identified as a threat to museums as it relates to its ability to effectively market and advertise to the local community, national and international markets. A concern was budget challenges, especially towards marketing efforts beyond its operational cost. A majority of the respondents indicated that they had 5% or less allocated for marketing efforts.

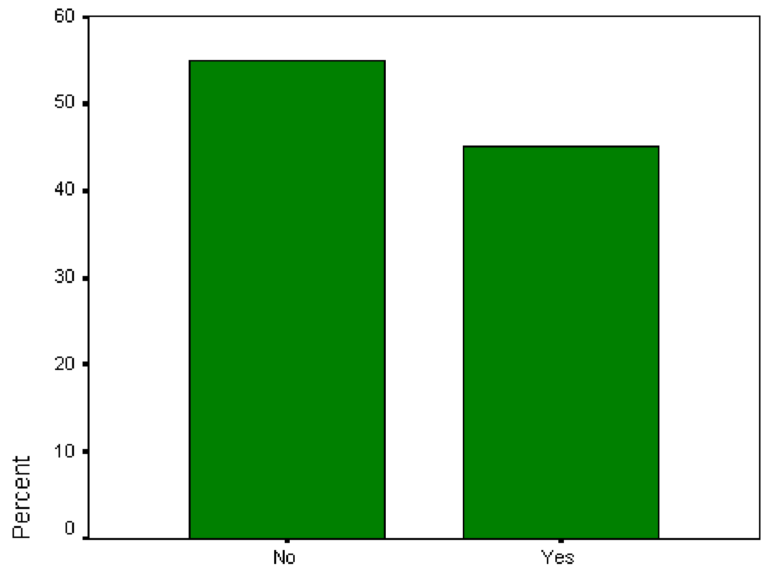


Marketing and related efforts were specifically identified as challenge for many museums. Only 24.5% utilized market research and only 32.1% conducted visitor profiles. Museums are currently using many innovative approaches to address their marketing needs while leveraging available resources. Most respondents cited advertising co-ops with other heritage or cultural attractions were key. More than half the respondents indicated they are connected to the community and/or regional destination marketing organizations, mostly local convention and visitor bureaus.



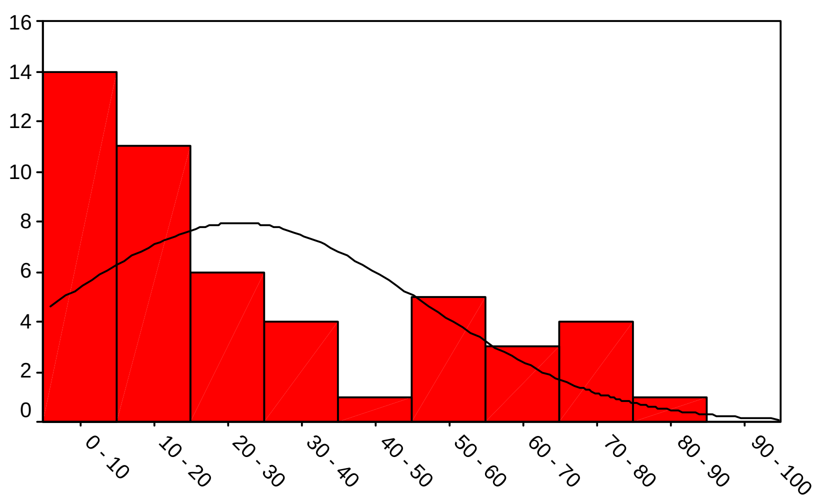
Destination Marketing Organizations (DMO) play a major role in the state's efforts to effectively promote and market our tourism industries. They utilize various grants, expertise, and state programs such as the consumer and group tour sales efforts, call center referral program, extended website presence, marketing and public relations efforts, enhanced referral services, especially through the extensive state visitor information centers and regional welcome centers. The results reveal a potential trend that museums may not be effectively capturing the benefits of these marketing resources. Although most respondents are connected to DMOs, fewer respondents utilized group tour opportunities in attracting visitors to their museums. The results have been mixed for those who used group tour operators. Most respondents estimated that only 10% of their visitors come from this travel segment.

Museums Who Use Group Tour Operators



Distribution of Annual Visitation

From Group Tours

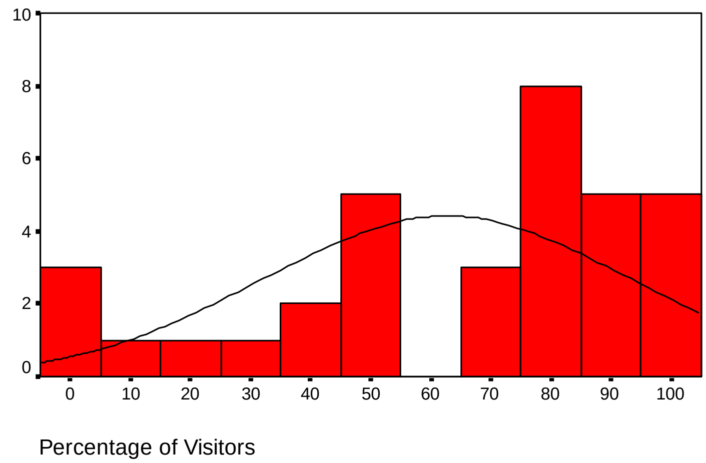


Percent of Visitors

Georgia has a rich and diverse array of cultural and heritage tourist attractions to appeal to a variety of travelers. Visitors have a great deal to choose from in crafting their vacations or planning excursions to explore a selected travel region, city, or community. As a result most museums rely on referrals they receive. Similarly, the respondents indicated the majority of their visitors, 80% to 100% have also visited another major attraction in the area.

Distribution of Visitors Who Also Visit

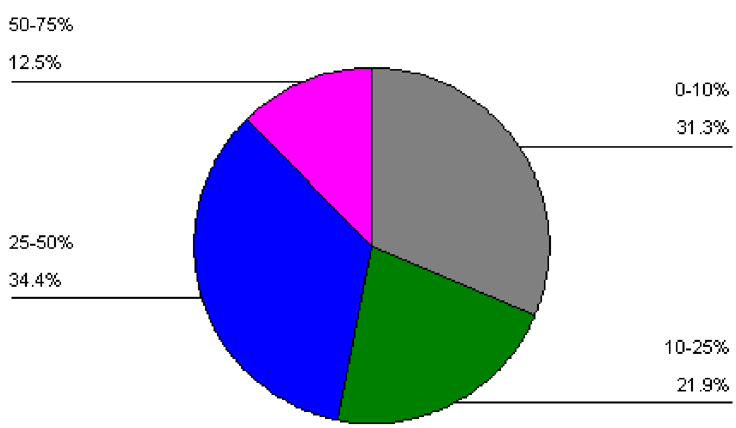
Other Major Attractions



Museums are the ideal attraction for visitors who are passing through the state, visiting one of the states' key attractions, or for travel planners who are developing itineraries. The respondents identified their referrals are due to the marketing program through the visitor information center and state and regional programs. 34.4% of respondents indicated that a fourth to half of their visitors come from referrals from visitor information centers.

Percentage of Museums Who Were Refered

From State or Local Tourism Information Centers



The ongoing surveys conducted by the visitor information centers support these results. The winter quarter survey report showed general sightseeing and visiting historic areas as their preferred activities or interest. The report also showed general sightseeing, historic attractions, and nearby attractions would be the primary activities or interest that would extend their stay in Georgia.

Visitation was noted as a challenge that museums face because of the rise in competition from other attractions. In assessing the tourism potential of smaller historic attractions, limited visitation can result in the insufficient generation of revenue needed for operations. Destinations promote a wide array of cultural attractions with demand on a small number of sites. Alternative sites and destinations may lack the necessary qualities needed to establish themselves as a viable tourism entity. Referral marketing efforts at the local and state level remain key for their viability as attractions.

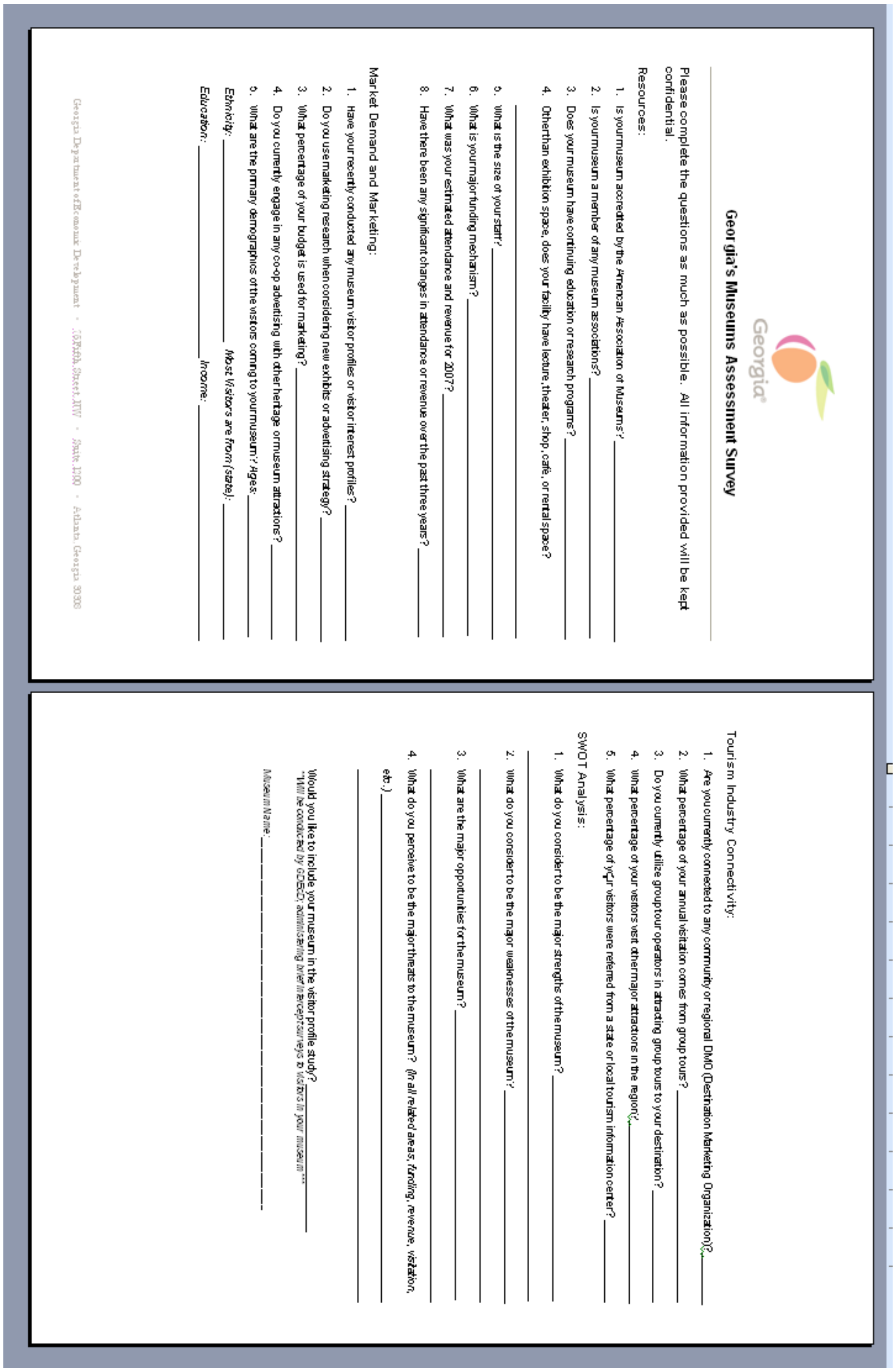
Conclusions and Initial Suggestions

Georgia's museums face significant challenges in their viability and connectivity to the tourism industry. As a result their visitation and revenue is impacted. Challenges within the travel industry such as rising gas prices are playing a major role in the decrease or stagnation of visitors. This invariably affects the fiscal stability of these cultural institutions. The economy was noted by museums as having a negating affect on their visitation and subsequent revenue as well. Both public and private philanthropic donations and grants are said to be increasingly challenging to secure as well. Funding challenges affect the museum staff size, ability to attract new investment and support, and offer extended programs to attract new visitors.

Museums have also identified many opportunities to address and respond to the various challenges. From a tourism marketing perspective, the state tourism office could partner with other key agencies to address these issues. Access to marketing resources, expert staff, and key programs are the best way to address the immediate need to increase visitation. Ultimately feedback and guidance is needed by the tourism industry to best identify the approaches that would be most effective. This is the initial step to a multi-agency lead to address the challenges. The identified opportunities and needs are:

Need or Challenge	**Opportunity**
Limited marketing resources	Outreach effort by DMOs
Utilize co-op opportunities	New and innovate co-op marketing efforts
Utilize market research	• Assistance in helping interested museums in developing basic marketing plans • Address technology challenges and develop self sustained marketing promotions on the internet.
Reach a broader audience with secondary products and visitor referrals.	
Marketing as a rental venue for additional income.	
Funding and grant opportunities.	

Appendix



Georgia

Georgia's Museums Assessment Survey

Please complete the questions as much as possible. All information provided will be kept confidential.

Resources:

1. Is your museum accredited by the American Association of Museums? ______
2. Is your museum a member of any museum associations? ______
3. Does your museum have continuing education or research programs? ______
4. Other than exhibition space, does your facility have lecture, theater, shop, café, or rental space? ______
5. What is the size of your staff? ______
6. What is your major funding mechanism? ______
7. What was your estimated attendance and revenue for 2007? ______
8. Have there been any significant changes in attendance or revenue over the past three years? ______

Market Demand and Marketing:

1. Have your recently conducted any museum visitor profiles or visitor interest profiles? ______
2. Do you use marketing research when considering new exhibits or advertising strategy? ______
3. What percentage of your budget is used for marketing? ______
4. Do you currently engage in any co-op advertising with other heritage or museum attractions? ______
5. What are the primary demographics of the visitors coming to your museum? *Ages:* ______

Ethnicity: ______ *Most Visitors are from (state):* ______

Education: ______ *Income:* ______

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Tourism Industry Connectivity:

1. Are you currently connected to any community or regional DMO (Destination Marketing Organization)? ______
2. What percentage of your annual visitation comes from group tours? ______
3. Do you currently utilize group tour operators in attracting group tours to your destination? ______
4. What percentage of your visitors visit other major attractions in the region? ______
5. What percentage of your visitors were referred from a state or local tourism information center? ______

SWOT Analysis:

1. What do you consider to be the major strengths of the museum? ______
2. What do you consider to be the major weaknesses of the museum? ______
3. What are the major opportunities for the museum? ______
4. What do you perceive to be the major threats to the museum? *(In all related areas, funding, revenue, visitation, etc.)* ______

Would you like to include your museum in the visitor profile study? ______
Will be conducted by GDEcD; administering brief intercept surveys to visitors in your museum*

Museum Name: ______