



Community Initiative INTERREG III B

**ROMIT – Roman Itineraries**

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# The Economic Impact of Historical Cultural Tourism

*An Evaluation Model - Rimini's Case*

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## ABSTRACT

### **Tourism in Europe and Worldwide**

On the basis of the data provided by the World Tourism Organization (WTO), in 2003 international tourist arrivals worldwide were 703 million, approximately ten per cent of the world population. In 1950 international tourist arrivals were just 25 million and in 1990 they were already more than 450 million. If this trend growing at a yearly average rate of approximately three per cent consolidates, the international tourist arrivals are expected to be more than 900 million in 2010 and 1.5 million in 2020. Furthermore China with approximately 140 million arrivals is expected to become the main tourist destination worldwide, ahead of the United States with more than 100 million arrivals.

In 2003 Europe - including Russia - with 400 million arrivals, over one third of which consists of foreign tourists, kept on being the most attractive international tourism market.

Different factors may contribute to this upward trend: the availability of money, the retirement of the so-called "baby boom" generation – after the 50's in the last century – still in good health and rich in spare time, the introduction of euro notes and coins as single market currency, the liberalization of the transport industry – in particular for flights – and reduced rates, the European enlargement opening up new markets and simplifying travelling throughout Europe, the development of new technologies enabling travellers to improve their trip customization. All these factors increase the propensity to travel. This is also proven by the increase in the number of nights spent away from home, even if the population growth rate is stagnant.

Which are the favourite destinations of this mass tourism? A few years ago a survey on European holiday-makers ranked first seaside resorts (63%) followed by mountains (25%), towns of art (25%) and countryside (23%).

The economic impact of tourism is not less significant than the flows it creates. In 2001 the tourism industry was approximately 5% of the European Union's GDP. However this record can be higher than 12%, if the industries allied to the tourist trade are included in it.

Tourism is viewed as a labour-intensive industry able to directly employ approximately 8 million people throughout Europe. Two additional million jobs are expected to be created in the next decade.

The tourism numbers are on the rise, but tourists' ways and choices to spend their holidays are changing. Travellers are far more aware of how much their spare time is worth and are getting more and more selective: they ask for more value in return of their time and their money and for this reason they consequently ask for better experiences and higher quality standards.

### **Cultural Tourism**

The World Tourism Organization defines cultural tourism as a flow of people mainly pursuing cultural goals, such as festivals, music, theatre, events, visits and old countryside farms, visits to historical and religious monuments, archaeological sites, exhibitions, museums, classes, conferences, etc.

According to a survey of the European Commission, just 20% of the tourists visiting Europe mainly meet their needs for culture. However 60% of the European tourists are interested in cultural discoveries during their trips.

In the USA 32% of approximately 93 million adult tourists (30 million people), who added cultural elements to their holidays, extended their stays just to take advantage of cultural, artistic, and historical events. Let's analyse that 30-million-unit share: 43% tourists added one day fraction, 31% stayed one more night, 19% spent two additional nights and 7% stayed three or more nights at their hotels.

Since 1996 cultural tourism has been growing in this country by 13%: it has doubled the records of other trips.

### **Cultural Traveller Profile**

A German survey on tourists searching for nature and culture shows that they are rarely attracted by luxury hotels, but they prefer small accommodation run by local people, offering good level of comfort and service quality: tourists frequently appreciate two-star and three-star hotels, but like kind friendly accommodations set in refurbished buildings the most.

After reaching their destinations, cultural tourists are very interested in local food and products. Cultural tourists are from 39 to 59 years of age, have good education levels and a wide-ranging experience in travelling, are very sensitive to environmental issues and regularly take their holiday time away from seasonal peaks.

The latest report by *Federculture 2004* shows that cultural tourists – in Italy – spend even more: 101 euros per day against standard tourists' 72 euros.

### **Tourism Multiplier Effect**

Our common experience shows that tourism can be a driving force for the economic growth. Furthermore it is very well-known that its skills are very strong because of the specific features of tourism products consisting of a set of goods and services offered by a wide range of different economic actors kept together by the market.

The way tourism demand flows through different economy segments is quite simple on the whole: when tourists spend their money to purchase goods or services, they trigger a chain reaction generating additional economic advantages in several directions (starting from businessmen to businessman suppliers, etc.). The initial visitors' expenditure acts as a dynamizing element, that is to say it produces a cascading multiplier effect (on revenues) to local, regional, and national advantage.

### **Tourism Satellite Account**

The Tourism Satellite Account stands for a system to get a detailed analysis of every single point of the demand for goods and services connected in any way to tourism with regard to general economic conditions.

The reason for the introduction of this system is inspired by the observation that the statistical data currently made available are so scanty (arrivals, stays, balance of payments) that they can not provide a comprehensive assessment of the real economic impact caused by tourism. Therefore governments, local authorities, tourism industry businesses and citizens can have a limited access to the information needed to take the most appropriate decisions. The increasingly central role played by tourism in economy urges to bridge this gap.

This system is based on the analysis of the demand created by different types of tourism, classified on the basis of visitors' features, trip, and goods and services purchased.

The fundamental principle of the TSA system aims at a close study on every part of the demand for goods and services that can be associated to tourism and on the way this demand can interact with the supply and the resting economic world.

### **An Application Case of Satellite Account for Rimini's Cultural Tourism**

Famous seaside resort in the middle of the Adriatic Sea, Rimini's Coast welcomed 2.7 million visitors in 2003 and totalled more than 15 million stays. In despite of millions of visitors, its historical heritage and richness in monuments and museums in Rimini's territory, cultural tourism has recently made just its first steps.

*"Passeggiando nel passato"* (A Walk into The Past), an almost ten-year-long weekly guided tour program aimed at discovering Rimini's monuments and organized by the town museums from June to September, welcomes a few thousand participants: more precisely 3,307 in 2003, that is to say 0.1 per cent of all the arrivals recorded in the same year.

Under these conditions the application of TSA involved the expenditure of museum visitors, the public expenditure for setting up, organizing and managing the museum, public investments in restoration, repairs and refurbishment of Rimini's buildings, monuments and historical archaeological areas. In 2003 the amount of all the expenditure items totalled 67 million euros. And so did the demand. However this expenditure is partial, because there is no available information on many goods and services purchased by tourists. A specific project should be started to completely apply this system.

## INTRODUCTION

This study is part of the ROMIT-Roman Itineraries project approved by the European Commission with the highest score in the scope of the European Union initiative program Interreg UUU, CADSES area (Central Adriatic Danubian South Eastern European Space).

The main goal of ROMIT is a research on European scale for new protection and management systems of Roman archaeological sites to become part of local development policies and be turned into specific tourism products.

When you read this document, in particular chapter one, this point is particularly striking: there are more studies, data and information on the increasing travellers' propensity to cultural tourism and on its economic impact in North America than in Europe – not to mention Italy. Paradoxically the Continent with the largest historical, artistic and archaeological heritage is the one that pays very poor attention to this phenomenon and its potential economic-cultural effects. This must be the response to wealth: no matter how prestigious goods are, they lose their value when they are too many. Then people behave accordingly.

However something is changing. The removal of obsolete development models applied to tourism, the search for non-traditional resources to promote in order to give local economy new stimuli, the increase in the number of travellers, the propensity to more dynamic holidays, the growth of a group of ripe people, but still young and healthy, used to travelling and having a lot spare time at disposal, are a few elements making a close examination of cultural tourism chances and potential a topical issue. However it is remarkable that one European out of four currently prefers to visit a town of art on holiday.

Even those travellers, who do not pursue cultural goals as the main reason for their trips, do not turn down to take part in cultural events, if this option is available. Neither do the most American adult travellers, who are ready to stay a few more nights out to seize cultural opportunities.

This should suggest the idea that those areas characterized by tourism for relaxation and fun should really offer their own cultural resources, if any, in order to meet all the needs - or at least partially - of visitors and become more competitive.

After setting up an appropriate cultural offer, an effective policy of communication can not be left behind so that residents and guests can be constantly kept informed and updated on new cultural product promotions. This may start with taxi drivers, the most widespread "information bureaus for travellers" throughout a region.

This study consists of three chapters. Chapter one describes new trends in the tourism industry, such as cultural-oriented ones, and cultural travellers' features. Chapter two describe the system worked out by several international organizations to assess the economic impact of tourism: Tourism Satellite Account (TSA). Chapter three describes the application of TSA to Rimini's case. However this application is partial due to the lack of information made available.