Newburyport Restaurant Market Analysis

An analysis of Newburyport's restaurant market was conducted to assess growth opportunities within the lower Merrimack Valley regional market. Tourism is an important source of market support for Newburyport restaurants, especially in the summer months when peak sales (as indicated by meals tax revenue) are up to twice that of the lowest winter month. There is broad agreement on the need to grow Newburyport's tourism market through improved marketing and strengthen its identity and brand as a visitor destination. To complement the focus on expanding tourism, this analysis addresses the regional market that is within a 20-minute drive of downtown Newburyport and the potential to attract more of this year-round market.

This analysis includes the following three components:

1. **Quantifying the restaurant spending potential within this market area and its distribution across the constituent cities and towns;**
2. **Comparing the size and mix of Newburyport's downtown restaurants to that of other competing dining destinations to identify Newburyport's potential competitive strengths; and**
3. **Identifying market opportunities and messaging that emerge from the demand and competitive analysis.**

Regional Market Demand

There are 14 communities[1] within a 20-minute drive of downtown Newburyport with almost 52,000 households and total estimated household income of $7.1 billion.[2] These households spent an estimated $255 million on food away from home and $49 million on alcoholic beverages in 2021.[3] When adjusted for the share of this spending that occurs at restaurants and drinking places, total restaurant spending in this lower Merrimack Valley market area in 2021 was $195 million. **Table A-1** presents the dollar amount of spending

[1] This includes 13 entire communities and a northeastern section of Haverhill.

[2] Based on the 5-year 2016-2020 American Consumer Survey.

[3] These estimates used figures from the consumer expenditure survey for Northeast consumers from 2018-2019 adjusted to July 2021 by the Boston Consumer Price Index.

by community while **Figure A-1** shows the percentage distribution by community. Key observations from this data include:

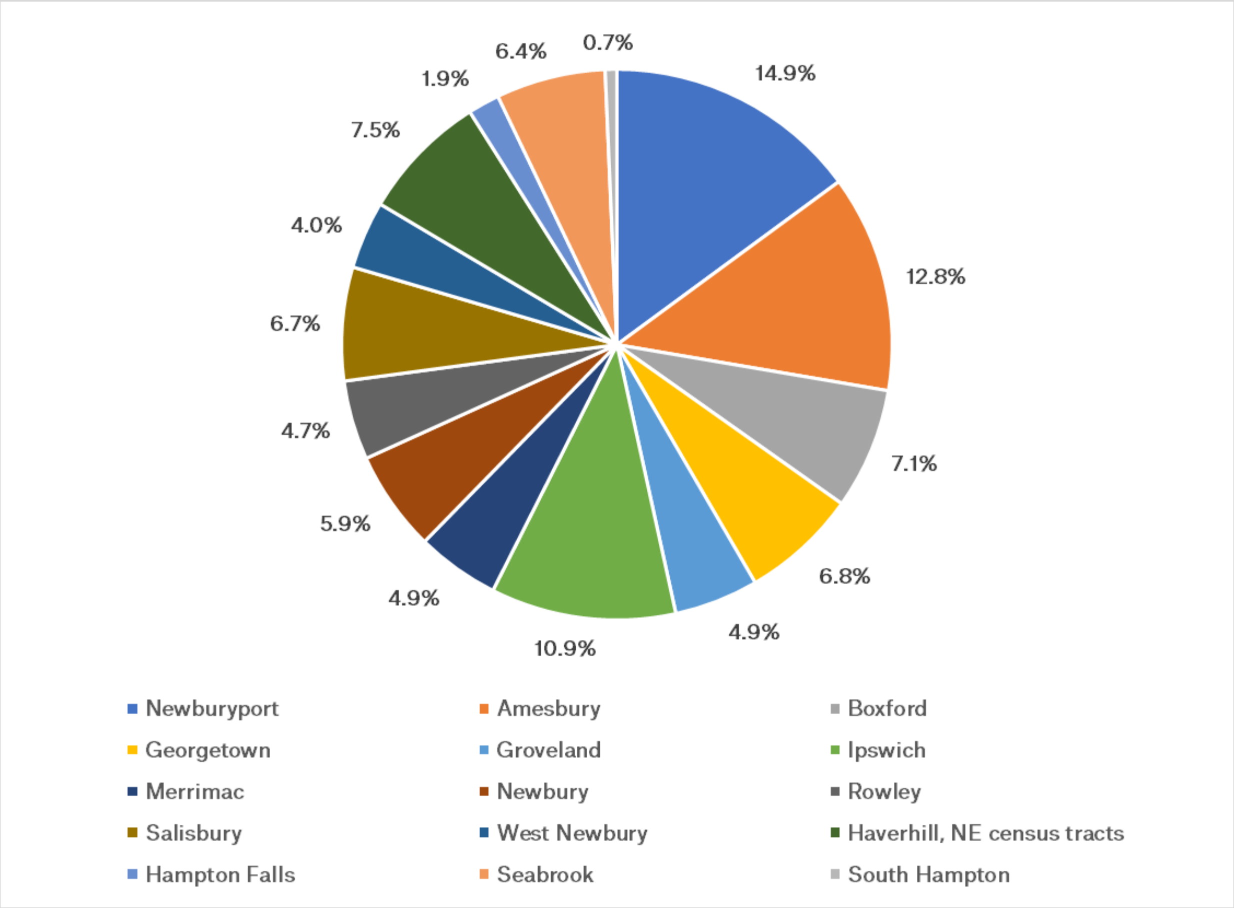
- Newburyport needs to attract diners from many communities as no single community is a very large market—while Newburyport has the most restaurant spending ($29.1 million) it is only 14.9% of the total market area spending;
- Amesbury, Ipswich, and Newburyport are the three largest markets and together represent 38.6% of area restaurant spending; and
- Restaurant spending is almost equally divided between an "inner ring" of the six closest communities (Amesbury, Merrimac, Newbury, Newburyport, Salisbury, and West Newbury) and the 8 "outer ring" communities. The former accounts for 49.1% of estimated spending while the latter accounts for 50.9%.

Table A- 1. Estimated 2021 Restaurant Spending by Community

Community	Amount
Newburyport	$29,130,528
Amesbury	$24,805,798
Boxford	$13,989,549
Georgetown	$13,328,032
Groveland	$9,662,659
Ipswich	$21,231,223
Merrimac	$9,445,208
Newbury	$11,594,006
Rowley	$9,082,932
Salisbury	$12,964,138
West Newbury	$7,796,483
Haverhill, NE census tracts	$14,610,499
Hampton Falls	$3,634,028
Seabrook	$12,467,012
South Hampton	$1,325,950
Total	$195,068,045

Source: Karl F. Seidman Consulting Services

Figure A- 1. Distribution of Estimated Restaurant Spending by Community



Source: Karl F. Seidman Consulting Services

Meals tax collections from Newburyport for July to December 2020 indicate food away from home sales of $80 million on an annual basis, although these sales were heavily impacted by the Covid-19 pandemic. Pre-pandemic full-year data for July 2018 to June 2019 indicate annual sales of $87 million. It is difficult to know what share of these sales are from regional demand and, thus, Newburyport's market share of regional demand. There is no accurate data on the tourist share of Newburyport restaurant sales and the portion of meal tax revenues from non-restaurant sales (grocery stores, caterers, etc.) that would be needed to make these calculations.

Newburyport Supply Side and Competitive Position

Newburyport was compared to major competing downtown dining centers North of Boston (Beverly, Gloucester, and Salem) and Portsmouth, New Hampshire to assess its competitive strengths and advantages and how they may impact marketing and market development of Newburyport as a dining destination. A broad definition of restaurants was used in this analysis to capture the range of businesses in which people consume food and drink away from home, including bakeries, brewery tap rooms, coffee shops, and ice cream shops. **Table A-2** compares Newburyport to these competing locations by several measures, including total number of restaurants, total restaurant employment, number of downtown restaurants, and google ratings for downtown restaurants. **Figure A-2** provides a more detailed comparison of the distribution of ratings. It is hard to evaluate the meaning and significance of ratings, as the number of ratings and basis for the ratings vary across restaurants. Moreover, they may be influenced by "insider" ratings from employees, family, and friends. Nonetheless, customers are likely to read them, and they may influence their decisions on where to dine—both for individual establishments and a destination city. **Table A-3** compares the mix of restaurant types.[4] Key observations from these comparisons include:

- Newburyport has fewer total restaurants than the competing centers but a larger share of its restaurants are located downtown—70% versus 47% to 55% for the other cities;
- Measured by employment, Newburyport restaurants are larger on average, than those in competing Massachusetts cities;
- Average google ratings are similar across cities, but Newburyport has fewer restaurants with high ratings of 4.7 or better and less variation in their ratings (i.e., a lower standard deviation) and 68% of its ratings are between 4.3 and 4.6;
- Portsmouth has the greatest variety of options with at least one restaurant in each category and more diversity in the Other category with two tapas restaurants and one each for Colonial, Creole, French, and Nepalese included in the Other category;
- Gloucester has the least variety of dining options with restaurants in 11 of 20 categories;
- Beverly, Newburyport, and Salem all have representation in 16 or 17 categories;
- Newburyport has a relatively high number of restaurants compared to its competitors for bakeries, coffee shops, breakfast/diners, Italian, Indian and pizza;
- Categories with a relatively large number of restaurants across most locations are pizza, pubs/bars, and seafood; and
- Downtown Newburyport is under-represented compared to competing locations for brewery tap rooms/beer gardens, Mediterranean/Mideastern restaurants, and pubs/gastropubs/bars.

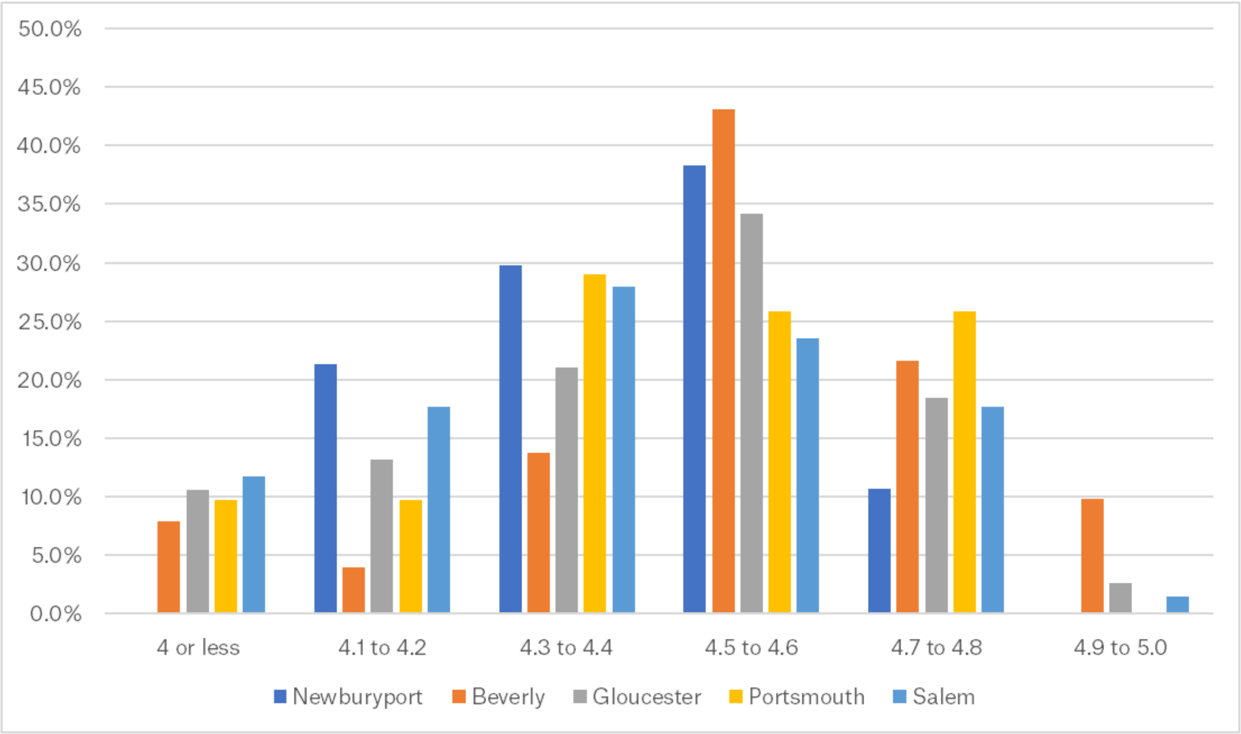
[4] Data for this analysis was compiled from restaurant listings at visitor marketing websites for each city and Google searches.

Table A- 2. Comparison of Newburyport with Competing Downtown Restaurant Locations by Number of Restaurants and Google Ratings

Indicator	Newburyport	Beverly	Gloucester	Portsmouth*	Salem
Total Restaurants (2021)	67	100	81	153	124
Total Restaurant Employment (2021)	1,286	1,235	1,069	NA	1,811
Downtown Restaurants-12/2022	47	4.52549	38	18	0
Average Google Rating	4.43	4.53	4.44	4.43	4.38
Mode Google Rating (Number)	4.6 (12)	4.5 (16)	4.6 (5)	4.7 (15)	4.4 (13)
Standard deviation of Google Rating	0.20	0.27	0.27	0.26	0.29
Number with 4.7 or higher	5	13	8	16	13
*Estimated from data on the Accomodations & Food Services sector					

Source: Karl F. Seidman Consulting Services

Figure A- 2. Distribution of Downtown Restaurant Google Ratings, Newburyport, and Competing Downtowns



Source: Karl F. Seidman Consulting Services

Table A- 3. Mix of Restaurant Types, Newburyport and Competing Downtowns

Restaurant Type	Newburyport	Beverly	Gloucester	Portsmouth	Salem
Asian/sushi/Thai/Japanese	2	3	2	2	7
American	3	1	2	7	8
Bakery	4	0	0	2	4
Beer Garden/brewery/tap room	0	4	0	3	3
Breakfast/Diner	4	2	3	4	2
Chinese	0	2	2	1	0
Coffee shop/cafe	5	5	0	1	2
Farm to table, locally sourced	0	1	0	3	0
Ice cream/candy	1	0	0	1	4
Italian	4	2	3	5	2
Indian	2	1	0	1	1
Juice bar/smoothies	1	2	0	1	0
Mediterranean/Mideastern	1	4	1	3	3
Mexican	1	1	3	2	5
Pizza	6	6	6	1	5
Pub food/gastro pub/bar food	3	5	5	6	8
Sandwich shop	1	3	2	2	2
Seafood	4	2	6	4	4
Steakhouse	1	0	0	1	0
Vegan/vegetarian	1	1	0	1	2
Other	3	6	3	11	6

Source: Karl F. Seidman Consulting Services

Implications for Market Opportunities and Marketing

The above analysis has several implications for the market potential of the Lower Merrimack Valley region, and for how Newburyport can market its downtown restaurants to expand sales from this market. Key implications and opportunities include:

- There is a large regional market that Newburyport can draw on and grow as its primary or core year-round restaurant market area. The six "inner ring" communities seem particularly promising given their size and proximity to Newburyport;
- Newburyport's large number of coffee shops and breakfast/lunch restaurants along with its role as an employment center make it well-suited to serving daytime workers. This may be a market to target and test in future marketing and promotion efforts;

- Newburyport can highlight the diversity of its restaurants and their close proximity in the branding and marketing of its dining scene ("close to 50 restaurants within a ten-minute walk") and consider events and promotions that take advantage of these assets (e.g., a restaurant crawl, off-season restaurant week, taste of Newburyport event, best dish competitions, etc.);
- Linking restaurants with arts/culture/historical event marketing is a promising focus as these two activities target the same market and the synergy will help expand the audience and customer base for each sector;
- Newburyport can be marketed as a dining alternative to Gloucester to visitors and residents in communities near Gloucester (e.g., Ipswich, Rowley, Essex) given its higher number and greater diversity of downtown restaurants; and
- Newburyport would benefit from an easily accessible and complete listing of its restaurants/bars/bakeries/coffee shops that is organized and searchable by different types or categories. The Chamber's website serves a larger geography and does not include all establishments.

Massachusetts and Essex County Travel and Tourism Data and Trends in Cultural Tourism

Newburyport has a robust offering of restaurants and food options within an environment full of independent businesses, arts and cultural organizations, historic buildings and landscapes, and extraordinary natural resources and recreation opportunities. This analysis provides a deeper dive into aspects of the local economy that serve residents as well as visitors to in order to inform key strategies in the Comprehensive Economic Development Strategy.

This study/overview contains the following information:

Part 1: The Profile of Visitors in Massachusetts

Visitors to Newburyport come from adjacent towns and cities and the region, from throughout the state and New England, from elsewhere in the United States, and internationally. Understanding the profile of visitors to the state and as much as possible, to Newburyport, is critical to creating branding, marketing, and communications to grow the visitor base in the city.

The Massachusetts Office of Travel and Tourism (MOTT) compiles data on Massachusetts visitors and identifies trends. The data shown here is sourced from the *MOTT 2021 Annual Report* (for Fiscal Year (FY) 2021 or Calendar Year (CY) 2020 unless otherwise noted) and from the *MOTT 2020 Annual Report* (FY2020 or CY2019).[1] There are differences in the years cited below for international and domestic visitors and for some data categories based on the most recent data provided by MOTT. *MOTT defines a*

[1] In instances when MOTT has no new data for an annual report, it reuses and cites data from previous CYs and FYs where necessary.

“visitor” as someone who travels at least 50 miles one way or stays overnight in paid accommodations.

It should be noted that the COVID-19 pandemic has made analysis of these trends more challenging, particularly since data for FY2020 and FY 2021 were greatly affected by the pandemic shutdown.

Highlights for Domestic and International Visitors to Massachusetts

- In FY2021, Massachusetts hosted 26.2 million domestic visitors, down from 28.1 million the year before;
- In CY2019, Massachusetts hosted 2.4 million international visitors, of which 1.79 million came from overseas and 0.64 million from Canada;
- In FY2020, 56.3% of all domestic person trips to Massachusetts originated in New England, and 21.2% were from the mid-Atlantic states (NY, NJ, and PA);
- Visiting friends and relatives was the most frequently reported primary trip purpose (47.7%) for FY2020;
- In FY2020, Travel by personal car was the dominant mode of transportation (71.7%);
- 47.6% of the domestic visitors who spent at least one night in Massachusetts reported staying in a hotel, motel, or bed and breakfast;
- In 2020, domestic visitors spent $9.3 billion in direct expenditures, a 55.4% decrease from 2019 and a decrease of 48% over 2016;
- For CY2020, the North of Boston (Essex County) Regional Tourism Council (RTC) had the third highest total of visitor expenditures ($638.6 million). By county in CY2019, Essex County had the fifth highest total of visitor expenditures; and
- While Essex County’s actual amount of local rooms occupancy tax collections ($9.5 million) declined in FY2021, the County’s percentage of total state room occupancy tax collections increased to 5.8% from 4.6% the previous year.

Domestic and International Visitor Volume and Market Share

Massachusetts hosted 26.2 million domestic person trips in FY2021 compared to 28.1 million in FY2020. Visitors from New England and the mid-Atlantic states (NY, NJ, and PA) in FY2021 accounted for 77.5% of all domestic person trips to the state. The largest source of visitors was Massachusetts residents themselves (8.1 million person-trips or 31.0% of all domestic trips) followed by New York and Connecticut. In CY2019 Massachusetts welcomed 2.4 million international visitors, 74% from overseas and 26% from Canada. Massachusetts’ share of all Canadian travel to the U.S. has remained about 3% for the past several years. Massachusetts’ share of overseas travel to the U.S. decreased from 4.6% in CY2018 to 4.3% in CY2019.

In CY2020, domestic visitors to Massachusetts spent $9.3 billion (93% of total expenditures), while international visitors spent approximately $656 million (7% of total expenditures). Pre-pandemic and in line with previous years, CY2019 domestic visitors to Massachusetts spent approximately $20.9 billion (84% of total expenditures), compared to international visitors who came to Massachusetts and spent $3.9 billion (16% of total expenditures), generating $254.9 million in state and local taxes.

Domestic Visitor Origin

Visitors from New England and the mid-Atlantic states (NY, NJ, and PA) in FY2021 accounted for 77.5% of all domestic person trips to the state. The largest source of visitors was Massachusetts residents themselves (8.1 million person-trips or 31.0% of all domestic trips) followed by New York and Connecticut.

Economic Impact

Direct Economic Impact

Direct economic impact[2] from visitor spending is shown in **Table B-1** and includes visitor expenditures, payroll for workers in tourism industry, employment, and state and local sales and rooms occupancy taxes.

- Direct spending by domestic and international visitors totaled $10.0 billion in CY2020, down from $24.9 billion in CY2019 (a 54% decrease);
- Domestic visitors accounted for approximately 93% of all visitor spending, and international visitor spending accounted for approximately 7%;
- Visitor expenditures supported 102,100 full-time, part-time, and seasonal jobs in 2020 and $4.3 billion in wages and salaries. In 2019, visitor expenditures supported 155,500 jobs and $5.9 billion in wages and salaries. Visitor spending between CY2019 and CY2020 decreased 35% from 2019. The CY2020 payroll for these 102,100 jobs was $4.3 billion, a 30% decrease from CY2019;
- Visitor expenditures in 2020 generated $879.9 million in Massachusetts state and local tax revenue. In 2019, visitor expenditures generated $1.6 billion in Massachusetts state and local tax revenue;
- Each dollar spent by a visitor in 2020 generated 5.7 cents in state tax receipts and 3.1 cents in local taxes. This is higher than in 2019, when each dollar spent by a visitor generated 4.1 cents in state tax receipts and 2.5 cents in local taxes;

[2] Direct economic impact refers to the jobs, wages, and taxes from the direct visitor spending at businesses, venue and organizations within the indicated state, county or region but does not include the "indirect" impacts at suppliers to these enterprises or the "induced impact" from the flow of direct spending within the economy.

- State room occupancy tax collections totaled $124.2 million and local option room occupancy tax collections totaled $108.8 million in FY2021. Comparatively, state room occupancy tax collections totaled $252.3 million and local option room occupancy tax collections totaled $209.2 million in FY2020; and
- The state received $569 million in revenues through the state sales tax, and taxes on travel-related personal and corporate income, a 45% decrease from 2019. Local community revenue totaled $311.2 million in sales, property, and excise tax revenue, a 52% decrease.

Table B- 1. Direct Economic Impact of Visitor Travel on Massachusetts, 2016-2020

Calendar Year	Expenditures ($ Millions)	Payroll ($ Millions)	Employment	State Tax Receipts ($ Millions)	Local Tax Receipts ($ Millions)
2020	9,965.2	4,293.1	102,100	568.7	311.2
2019	24,869.8	5,933.3	155,500	1,025.2	619.5
2018	24,156.5	5,618.8	153,200	990.6	596.5
2017	22,869.8	5,330.6	149,400	943.4	566.5
2016	21,820.2	5,040.9	146,300	904.8	541.5

Source: USTA, Tien Tian LLC, Domestic plus International (from MOTT 2021 Annual Report).

Visitor Spending by Industry Sector

Direct visitor expenditures can be classified by industry sector. In CY2020, the top spending for domestic visitors was in the Foodservice, Lodging, and Public Transportation sectors while top spending for international travelers was in the Lodging, General Retail Trade, and Foodservice sectors (**Table B-2**).

Table B- 2. Domestic and International Direct Expenditures by Industry Sector, CY2020

Industry Sector	Domestic ($ Millions)	International ($ Millions)	Total ($ Millions)	% of Total
Public Transportation	1,895.3	60.5	1,955.8	19.6%
Auto Transportation	1,493.9	9.0	1,502.9	15.1%
Lodging	2,303.4	259.1	2,562.5	25.7%
Foodservice	2,453.8	128.7	2,582.5	25.9%
Entertainment & Recreation	447.5	51.3	498.8	5.0%
General Retail Trade	714.7	147.9	862.6	8.7%
2020 Totals	9,308.6	656.5	9,965.3	100.0%
Percentages	93.4%	6.6%	100.0%	
2019 Totals	20,870.0	3,999.7	24,869.6	
Percentages	83.9%	16.1%	100.0%	

Source: USTA, Tien Tian LLC, Domestic plus International (in MOTT 2021 Annual Report).

Table B-3 shows the impact of total visitor spending in CY2020 on payroll and employment by sector. Visitor spending generated the largest payroll impact for lodging and the most jobs in the foodservice sector.

Table B- 3. Visitor Expenditures and Direct Payroll, & Employment Impact by Industry Sector, CY2020

Industry Sector	Expenditures ($ Millions)	% of Total	Payroll ($ Millions)	% of Total	Employment (Thousands)	% of Total
Public Transportation	1,955.8	19.6%	876.5	20.4%	13.2	12.9%
Auto Transportation	1,502.9	15.1%	156.7	3.7%	4.0	3.9%
Lodging	2,562.5	25.7%	965.4	22.5%	23.6	23.1%
Foodservice	2,582.5	25.9%	899.7	21.0%	34.9	34.2%
Entertainment & Rec	498.8	5.0%	686.7	16.0%	14.6	14.3%
Retail	862.6	8.7%	196.4	4.6%	6.5	6.4%
Travel Planning	n/a	n/a	511.7	11.9%	5.4	5.3%
Total	9,965.1	100.0%	4,293.0	100.0%	102.1	100.0%
Note: travel planning does not generate expenditure output						

Source: USTA, Tien Tian LLC, Domestic plus International (in MOTT 2021 Annual Report).

This contrasts with CY 2019, in which the largest share of visitor expenditures was for Public Transportation, followed by Lodging and Foodservice **(Table B-4).** Consistently, the lodging sector in 2019 generated the largest payroll, and foodservice generated the largest number of jobs from visitor spending **(Table B-5).**

Table B- 4. Domestic and International Visitor Expenditures by Industry Sector, CY2019

Industry Sector	Domestic ($ Millions)	International ($ Millions)	Total ($ Millions)	% of Total
Public Transportation	6,588.3	436.8	7,025.1	28.2%
Auto Transportation	2,649.2	52.3	2,701.5	10.9%
Lodging	4,852.0	1,525.6	6,377.6	25.6%
Foodservice	4,245.1	792.3	5,037.4	20.3%
Entertainment & Recreation	1,212.4	305.2	1,517.6	6.1%
General Retail Trade	1,323.0	887.5	2,210.5	8.9%
2019 Totals	20,870.0	3,999.7	24,869.6	100.0%
Percentages	83.9%	16.1%	100.0%	
2018 Totals	19,863.8	4,292.7	24,156.5	
Percentages	82.2%	17.8%	100.0%	

Source: USTA, The Economic Impact of Travel on MA Counties, 2019 (in MOTT 2020 Annual Report).

Table B- 5. Visitor Expenditures and Direct Payroll, & Employment Impact by Industry Sector, CY2019

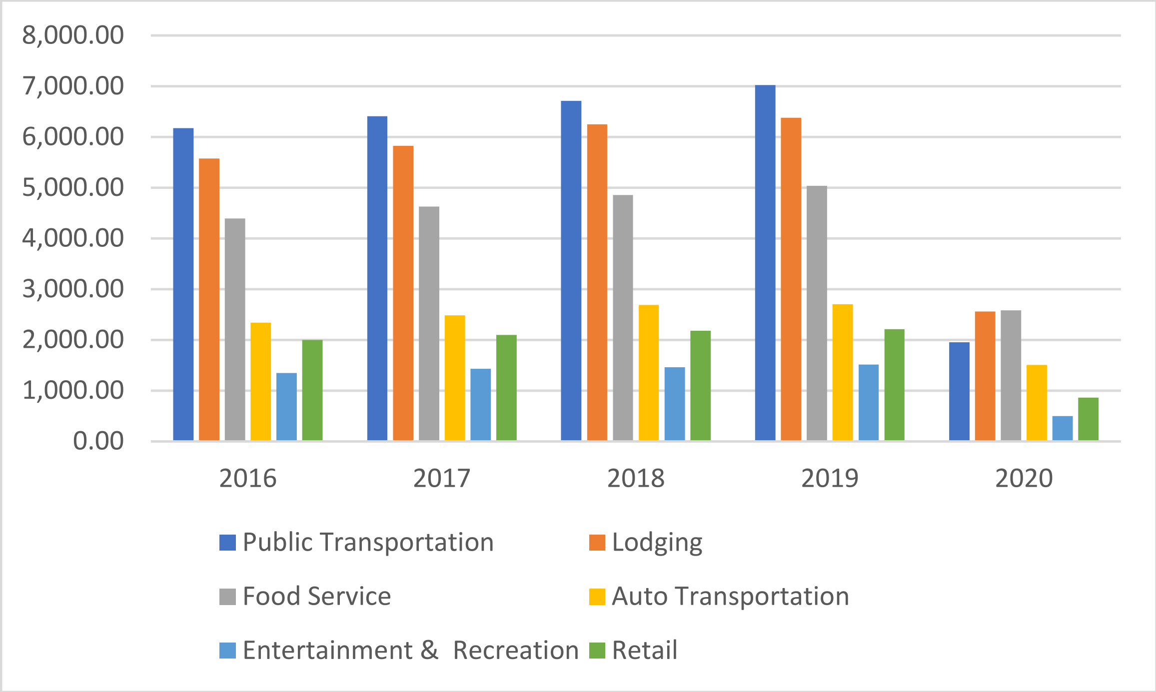
Industry Sector	Expenditures ($ Millions)	% of Total	Payroll ($ Millions)	% of Total	Employment (Thousands)	% of Total
Public Transportation	7,025.1	28.2%	1,116.7	18.8%	18.5	11.9%
Auto Transportation	2,701.5	10.9%	155.0	2.6%	4.3	2.8%
Lodging	6,377.6	25.6%	1,438.0	24.2%	36.5	23.5%
Foodservice	5,037.4	20.3%	1,431.9	24.1%	56.9	36.6%
Entertainment & Recreation	1,517.6	6.1%	790.5	13.3%	23.3	15.0%
Retail	2,210.5	8.9%	273.6	4.6%	8.8	5.7%
Travel Planning	n/a	n/a	727.7	12.3%	7.3	4.7%
TOTAL	24,869.7	100.0%	5,933.3	100.0%	155.5	100.0 %
Note: Travel Planning does not generate expenditure data						

Source: USTA, The Economic Impact of Travel on MA Counties, 2019 (in 2020 MOTT Annual Report)

Visitor Spending Trends by Sector

Figure B-1 summarizes trends in statewide visitor spending from 2016 to 2020. Due to the pandemic, spending in all categories declined steeply in 2020. Across all years, visitors spent the most money on public transportation, lodging and food services in that order. The spending levels for these three categories also increased each year from 2016 to 2019.

Figure B- 1. Massachusetts Visitor Spending by Industry Sector, 2016 to 2020



Source: USTA, Tien Tian LLC, Domestic plus International (in 2021 MOTT Annual Report).
Note: Public transportation includes air, inter-city bus, rail, boat and shop, and taxicab and limousine services

Table B-6 shows the combined visitor spending for food service, entertainment & recreation, and retail, the three categories with the greatest impact in Newburyport. From 2016 to 2019, these three categories consistently accounted for 35% of visitor spending with the dollar amount increasing by $1 million or 13% from 2016 to 2019. During 2020, the share of visitor spending for these sectors grew to just under 40% partly due to the far lower share of spending on public transportation during the pandemic. It is unclear if this trend will continue post-pandemic.

Table B- 6. Massachusetts Visitor Combined Spending on Food, Entertainment & Recreation, and Retail, 2016 to 2020

Year	Food, Entertainment & Recreation and Retail Spending	Percent of Total Spending
2016	7,736.80	35.5%
2017	8,152.00	35.6%
2018	8,503.30	35.2%
2019	8,765.50	35.2%
2020	3,943.90	39.6%

Source: USTA, Tien Tian LLC, Domestic plus International (in 2021 MOTT Annual Report).

Domestic Visitor Economic Impact by County

In 2020, domestic visitors spent $9.3 billion in direct expenditures, a 55.4% decrease from 2019 and a decrease of 48% over 2016. For CY2020, the North of Boston Regional Tourism Council (RTC) had the third highest total of visitor expenditures ($638.6m) (**Table B-7**).

Table B- 7. Economic Impact of Domestic Travel on Massachusetts RTCs, CY2020

RTC	Expenditures ($ Millions)	Employment (Thousands)	Payroll ($ Millions)	State Tax Receipts ($ millions)	Local Tax Receipts ($ Millions)
Greater Boston	4,017.9	46.9	2,231.9	204.6	100.3
Greater Merrimack Valley	557.6	6.4	261.1	44.7	18.6
Metro West	499.5	6.5	261.8	37.8	14.2
Johnny Appleseed	91.1	0.8	30.4	6.4	2.4
Central Massachusetts	395.6	3.0	111.8	27.1	9.4
Cape Cod	968.9	7.8	269.5	45.4	59.5
1Berkshires	389.9	3.4	109.4	21.5	11.3
Southeastern MA	360.2	2.9	101.9	22.8	7.7
Martha's Vineyard	134.8	1.1	37.7	5.5	8.4
North of Boston	**638.6**	**6.0**	**203.5**	**42.1**	**17.0**
Franklin County	52.4	0.4	12.6	3.3	1.7
Greater Springfield	466.1	3.1	138.4	29.9	9.9
Hampshire County	92.6	0.8	27.7	5.9	2.5
Nantucket Chamber	171.7	0.9	38.5	5.6	6.1
Plymouth Chamber	471.7	3.6	116.2	28.6	23.4
Statewide Total	9,308.7	93.6	3,952.4	531.3	292.4
Statewide 2019	20,870.0	129.7	4,996.5	856.5	533.3
Statewide 2018	19,863.8	125.43	4,652.6	810.8	503.8
Statewide 2017	18,731.1	122.18	4,403.3	769.9	477.4
Statewide 2016	17,904.7	119.71	4,160.9	739.8	457.1

Source: USTA, Tien Tian LLC, Domestic plus International (in 2021 MOTT Annual Report).

Domestic Visitor Behavior and Activities

In FY2020, the majority of domestic visitors (71.7%), drove to Massachusetts. Air travel ranked second at 14.7% of visitors.

Of all overnight visitors, 47.6% stayed in a hotel/motel/inn or B&B, and 35% stayed in a private home.

Visiting friends or relatives was the dominant primary trip purpose and accounted for 47.7% of all domestic trips. Entertainment/sightseeing accounted for 14.7% of all trips, and pleasure/personal travel accounted for 14% of trips (**Table B-8**).

Table B- 8. Domestic Visitor Primary Trip Purpose, FY2020

Trip Purpose	Percent of Domestic Trips
Visit Friends/Relatives	47.7%
Other Pleasure/Personal	14.0%
Entertainment/Sightseeing	14.7%
Personal Business	5.5%
Outdoor Recreation	7.1%
Business	8.8%
Other	2.3%

Source: TNS, Travels America

Visiting relatives and friends combined is the most frequently reported trip activity by domestic visitors at 42.5%, followed by shopping (21.1%) and fine dining (13.8%) (**Table B-9**).

Table B- 9. Domestic Visitor Top Activities, FY2020

Trip Activity	Percent of Domestic Trips
Visiting Relatives	26.3%
Visiting Friends	16.2%
Shopping	21.1%
Fine Dining	13.8%
Beaches	11.9%
Rural Sightseeing	10.1%
Urban Sightseeing	10.7%
Historical Places/Churches	11.3%
Museums	11.4%
State/National Parks	10.3%
Art Galleries	6.5%

Source: TNS, Travels America

Part 2: Impacts and Trends in Cultural Tourism

Newburyport has significant assets in arts, culture, historical buildings and narratives, recreation, and natural environments. Research was conducted in these areas to provide information on visitor trends as well as in opportunities or evidence of overlap and confluences between visitor profiles within each of these assets or resources. In addition, examples of how cities and towns market and package similar assets for the visitor economy were explored in the research as well as practice. The questions that guided this research were:

1. What is cultural tourism?
2. What is the size of the cultural tourism market and its economic impacts?
3. What are the trends and visitor profiles for cultural tourism? How do these intersect with ecotourism and recreation?
4. Are there examples (primarily in New England as well as other examples if applicable) with similar assets that can provide useful information for Newburyport?

1: What is cultural tourism?

"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.[3]"

Cultural tourism can also be described less about the specific places and experiences and more about the intent of visitors. In this case, cultural tourism describes 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.[4]"

Newburyport has a Massachusetts Cultural Council-designated Cultural District in a portion of the downtown and waterfront. Americans for the Arts defines cultural districts 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.[5]"

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[3] Definition created by Partners in Tourism, a collective group of federal agencies and national organizations.
[4] United Nations World Tourism Organization.
[5] Americans for the Arts. "Cultural Districts: The Arts as a Strategy for Revitalizing our Cities," 1998.

In its 2014 Report on Cultural Tourism, Americans for the Arts goes further in describing cultural districts:

> "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.[6]"

The existence of arts, cultural, and historical resources and assets in Newburyport, as well as the state-designated Cultural District, provide a rich trove of potential destinations and experiences for visitors and for residents. The information below highlights current trends and strategies in cultural tourism as a guide for the city as it moves forward with implementation of the CEDS.

2: What is the size of the cultural tourism market and its economic impacts?

Leisure Travel and Cultural Tourism: The Size of the Market

According to a 2013 report from Mandala Research, LLC, 76% of all U.S. leisure travelers engage in cultural activities. At this time, the size of the market was estimated at 129.6 million adults in the U.S. spending approximately $171 billion annually. The appeal of the cultural tourist market is that they typically spend more and stay longer at destinations than other types of U.S. travelers. The U.S. cultural traveler spends 60% 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.[7]

A more recent review of cultural tourism trends by the United Nations World Travel Organization (UNWTO) estimated that cultural travelers comprise almost 40% of all international travelers, or about 530 million cultural tourists in 2017.

In the Commonwealth, the Massachusetts Office of Travel and Tourism (MOTT) estimates that 11.3% of domestic visitors include historical places/churches in their

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[6] https://www.americansforthearts.org/by-program/reports-and-data/legislation-policy/naappd/cultural-tourism-attracting-visitors-and-their-spending, accessed 12/24.22.

[7] Mandala Research, LLC 2013 quoted in Americans for the Arts National Cultural Districts Exchange, 2014.

itineraries, 11.4% visit museums, 10.3% visit state and national parks, and 6.5% visit art galleries, while 13.8% enjoy fine dining experiences.[8] These figures only give part of the story and don't include audience/visitor numbers for performances and nonprofit organizations nor their economic impact but no further details are available for Essex County or the City of Newburyport.

Economic Impact of the Arts

In its 2017 report, *The Americans for the Arts & Economic Prosperity 5* study[9] "documented that the nonprofit arts and culture industry in the US generated $166.3 billion in economic activity (spending by organizations plus the event-related spending by their audiences) which supported 4.6 million jobs and generated $27.5 billion in government revenue. The Arts & Economic Prosperity (AEP) series demonstrates that an investment in the arts provides both cultural and economic benefits:

- **Nonprofit arts and culture organizations are businesses.** They employ people locally, purchase goods and services from within the community, are members of their Chambers of Commerce, and attract tourists to their regions;
- **The arts drive commerce to local businesses.** The arts, unlike most industries, leverage significant amounts of event-related spending by their audiences. In 2017, arts attendees spent $31.47 per person, per event, beyond the cost of admission on items such as meals, parking, and lodging—vital income for local businesses;
- **Arts travelers are ideal tourists.** They stay longer and spend more to seek out authentic cultural experiences. One-third of attendees travel from outside the county in which the activity takes place and spend an average of $48 per person (69% say they traveled specifically to attend the activity); and
- **Small investments. Big returns.** In 2017, the combined $5 billion in direct arts funding by local, state, and federal governments yielded $27.5 billion in government revenue.[10]

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[8] TNS, Travels America (in 2021 MOTT Annual Report).

[9] Americans for the Arts conducts economic impact studies for state and local governments; no studies have been done for either Essex County or the City of Newburyport and the most recent state-wide study dates to 2017. While this report was completed well before the pandemic, it does offer the best snapshot we have of the role of arts and cultural organizations in the Massachusetts economy.

[10] https://www.americansforthearts.org/by-program/reports-and-data/research-studies-publications/arts-economic-prosperity-6

COVID-19 Pandemic Impacts on the Cultural Sector

Prior to the COVID-19 pandemic, 2019 data from the Arts and Cultural Production Satellite Account (ACPSA) of the US Bureau of Economic Analysis shows the sector was thriving:[11]

> "The ACPSA tracks the annual economic impact of arts and cultural production from 35 industries, both commercial and nonprofit. Those 35 industries range from architectural services to sound recording and, in whole or in varying segments, are considered a distinct sector of the nation's economy."

The data shows that in 2019, economic activity in the sector had been expanding:

- Production of arts and cultural goods and services in the U.S. added **4.3 percent** directly to the nation's GDP, for a total approaching a trillion dollars (**$919.7 billion**). This amount is greater than the value added by such industries as construction, transportation and warehousing, mining, and agriculture; and
- Arts and cultural industries had **5.2 million workers** on payroll with total compensation of **$447 billion.** This figure does not include self-employed arts workers.

The 2021 report from the Arts and Cultural Production Satellite Account[12] presents data from 2020 that spotlights some of the impacts of the pandemic on arts and culture:[13]

- For performing arts, real value-added decreased 37.9 percent in 2020 after increasing 3.2 percent in 2019. The leading contributor to the decrease was promoters of performing arts and similar events, which decreased 72.8 percent in 2020 after increasing 2.1 percent in 2019; and
- Museums decreased 22.0 percent in 2020 after decreasing 3.6 percent in 2019." [14]

An update on the impact of the pandemic on the arts was issued in May of 2022. "The COVID-19 pandemic has had a devastating impact on America's arts sector. While employment conditions improve for artists and creative workers, the arts are recovering

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[11] https://www.arts.gov/news/press-releases/2021/new-report-released-economic-impact-arts-and-cultural-sector

[12] The US Bureau of Economic Analysis (BEA) satellite account spotlights economic activity that can be difficult to find in its core accounts…in this case the impact of arts and culture on US and state economies.

[13] The BEA acknowledges that "The full economic effects of the COVID-19 pandemic cannot be quantified in the arts and cultural production estimates for 2020, because the impacts are generally embedded in source data and cannot be separately identified." https://www.bea.gov/news/2022/arts-and-cultural-production-satellite-account-us-and-states-2020

[14] https://www.bea.gov/news/2022/arts-and-cultural-production-satellite-account-us-and-states-2020

slower than other industries and COVID continues to disrupt in-person programming." [15] As of April 2022, arts, entertainment, and recreation jobs were still down (-10%) since pre-pandemic.[16] As of December 2021, the percentage of job losses at *nonprofit* arts organizations remained more than three times worse than the average of all nonprofits (-12.5% vs. -3.7%).[17]

Financial losses to the nation's nonprofit arts and culture organizations were an estimated $17.97 billion as of July 2021. Furthermore, 99% of producing and presenting organizations cancelled events during the pandemic—a loss of 557 million ticketed admissions. Additionally, local area businesses—restaurants, lodging, retail, and parking—were severely impacted by cancelled arts and culture events with a loss of $17.6 billion in audience ancillary spending. Local government revenue losses were $6.0 billion and 1.03 million jobs were negatively affected because of cancelled events. [18]

Rebound in arts attendance is encouraging but is also dependent on age and the safety measures in place. More than 90% of patrons under age 54 are attending in-person programs, compared to 76% of those over age 65 while 24% of those over age 65 are still waiting to attend, including 8% who say they will wait into 2023. Safety measures seem to be an important factor in audience attendance. As of October 2022, "half of responding patrons…say they will attend indoors under any circumstances. Meanwhile, the other half (49%) still expect some safety regulation to be in place in order to attend indoors (at least masks)." [19]

3: What are the trends in destinations and visitor profiles for cultural tourism? How do these intersect with ecotourism and recreation?

Around 2010, research groups, the National Endowment for the Arts, Americans for the Arts, and other organizations, businesses, and government agencies put major resources toward exploring the nature of cultural tourism and understanding trends. This research also sought to understand the expectations of cultural travelers as well as residents in cities and towns across the United States. The NEA's *Creative Placemaking* whitepaper made a significant impact within the cultural community and there was a major focus on visitor and resident desires for "authentic," cultural, and local community-connected experiences. Much of the data and studies described herein date from this time through

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[15] www.AmericansForTheArts.org/node/103614

[16] https://fred.stlouisfed.org/series/CES7071000001

[17] http://ccss.jhu.edu/december-2021-jobs/

[18] http://ccss.jhu.edu/december-2021-jobs/

[19] https://medium.com/arts-intelligence-by-ams/audience-outlook-monitor-snapshot-report-november-2022-68c802d71eaa

2015. At the time when new studies were due, the COVID-19 pandemic hit, preventing the updating of this information. While we have data on tourism in Massachusetts and key reasons visitors come to our state, it is difficult to tell, coming upon the third anniversary of the United States pandemic shutdown, how those predicted trends in cultural tourism will play out in the coming years. There are reasons to expect trends will continue, with some adjustments for the current inflationary environment and a concern regarding a coming recession. We also see a shift to hybrid experiences which have potential to allow greater visibility and participation in cultural experiences by a diverse and widespread audience that are not dependent on an in-person or bricks-and-mortar trip.

The following information presents predicted trends for travel in general, cultural tourism, and cultural districts.

General Trends in Travel

The trends in travel appear to continue shifting away from the "check the top tourist spots list" to travel that focuses on unique and meaningful experiences. According to the University of Cape Town, South Africa, the three social megatrends that are shaping the future of global tourism are:

1. People are collecting experiences, not possessions. Globally, there is an increasing shift from spending money on possessions to spending it on having experiences;
2. People are seeking meaning and purpose through travel; and
3. People value authenticity.[20]

These megatrends are in alignment with recent U.S. research and trends which include the following key current attitudes toward travel:

- High Travel Prices Costly to Travel Morale: An independent travel research firm surveyed 4,000 American travelers in December 2022 to determine key factors in future travel trends.[21] Findings include that currently 45% of Americans said travel being too expensive kept them from taking as many trips as they would have liked in the past six months—now statistically tied with gas prices as the #1 cited travel deterrent. Airfare specifically being too expensive was cited by 30% of American travelers as what has put them off travel. In addition, Americans' personal financial

[20] https://www.gsb.uct.ac.za/ideas-exchange/management-fundamentals/fo-three-megatrends-shaping-future-tourism

[21] According to its website, Destination Analysts conducts "Independent research, which is not sponsored, conducted or influenced by any advertising or marketing agency." https://www.destinationanalysts.com/insights-updates/

situations continue to concern them and impact their travel—40% say their financial situation kept them from traveling as much as they would have liked. About 16% of American travelers feel that more authentic, less commercial travel experiences will grow in popularity (15.6%), and just over 14% say they will be more proactive about reducing the impact of their travels on the environment. Newburyport offers a range of dining and vacation experiences to meet all budgets and its location makes it a drivable destination for visitors avoiding air travel and wishing to reduce their vacation carbon footprint;

- Travel is about Authentic Experiences: "Travel is no longer just about 'going somewhere. Coming out of such a long period of constraints and limitations, 2022 will be the year we wring every bit of richness and meaning out of our experiences."[22] This trend is about going beyond the must-see checklist and can focus on specific interests such as food, cooking, recreation, arts and culture, and other experiences;
- Family Travel and Edu-vacations will take on new importance: After two years of quarantines and classroom closures, millions of children across the country have fallen behind in class. And parents, eager for lesson plans that can supplement learning, are now seeking experiences with an educational bent when they travel. After a pandemic dip, enrollments are on the rise for family-learning itineraries with the tour operator Road Scholar, which produces educational travel programs for all ages. And noting an uptick in children road tripping with their parents, the Colorado Tourism Office last summer launched Schoolcations, a series of free itineraries based on Colorado road trips and designed for grades K-5;[23]
- A Surge in Popularity of the Road Trip: Although a recent field survey" was completed just before the full Southwest Airlines operational meltdown, air travel was already losing share as a transportation preference. When Americans were asked about their foremost travel transportation preference, those selecting road trips increased by 4 points from October to 44%, while preference for commercial airline travel dropped 3 points in that same timeframe to 29%.[24] Ideally located for road trip travelers, Newburyport has much to offer in the way of beaches and recreation combined with shopping, arts and culture, dining, and history –sites easily accessible by car;

[22] Christie Hudson, a senior public relations manager for Expedia, quoted in NY Times article on travel trends. https://www.nytimes.com/2022/02/15/travel/trends-spring-2022.html

[23] https://www.nytimes.com/2022/02/15/travel/trends-spring-2022.html regarding the Colorado program: https://www.colorado.com/educational-colo-road-trips

[24] https://www.destinationanalysts.com/insights-updates/

- Food is an Important Part of the Travel Experience: [25] Just over 21 percent of Americans who travel report being "passionate" about food and cuisine. The abundance of dining opportunities as well as some food-tours, and breweries make downtown Newburyport an attractive destination for travelers looking for new food and drink experiences;
- "Bleisure Travel" will grow in popularity as business travel rebounds: "Bleisure travel is a growing tourism trend where people extend their business travel to leisure activities. Experts predict it will continue to grow in the mobile workforce. Although business travel has started to make its comeback in 2021, bleisure is believed to be its future. A 2018 study revealed that 60% of U.S. business trips incorporated leisure elements, an increase from 43% in 2016."[26] There is also a growing trend among millennials known as the "digital nomad" phenomenon. This is whereby online workers and freelancers adopt the lifestyle of traveling as they work. Within a one-hour drive of Boston and easily accessible on the commuter rail, Newburyport offers an attractive day-trip (or longer) option for Bleisure travelers after business meetings in Boston and within the Route 128 Corridor;
- Ecotourism will continue to be popular: "58% of people will be more interested in exploring the outdoors and practicing relevant activities including hiking, biking, and kayaking. Mountain/rural escapes and waterfront getaways are expected to be popular vacation experiences…"[27] Plum Island, the Parker National Wildlife Reserve, watersports, fishing, and trail all provide ample opportunities for eco-tourism and outdoors enthusiasts. Easier overnight stays could also allow these visitors to tag on arts and culture, dining and food, and history experiences to their explorations; and
- The Appeal of the Staycation will continue and grow: The staycation often involves day trips for exploring local attractions and activities. This type of vacation is ideal for people who are feeling the need of escaping out of their homes but want to avoid the ongoing Covid-19 regulations. New research suggests that the trend will continue…despite the easing of international travel restrictions. This is because tourists want to support their local markets well as feel secure and safe in their holiday environment." Because of its location within easy reach of Boston and Portland, ME and surrounding areas, Newburyport is well-suited to take advantage of travel trends that favor shorter, closer-to-home stays.

[25] https://www.destinationanalysts.com/insights-updates/
[26] https://pro.regiondo.com/blog/tourism-trends-2018-2/
[27] https://www.prnewswire.com/news-releases/evolves-2022-travel-trends-forecast-travel-returns--but-expectations-have-changed-301401609.html quoted in Evolve's 2022 travel forecasts.

Trends for Cultural Tourism

In its 2013 study on leisure travel trends and cultural tourism characteristics, Mandela Research identified five types of cultural and heritage tourists within the set of approximately 130 million cultural and heritage leisure travelers in the U.S. at that time. These five types are based on the level of influence culture and heritage had on their travel decisions:[28]

1. Passionate: Leisure travelers who participate in Cultural and Heritage activities to a larger extent than other segments. And for a large percentage of this group, these activities are a driver of destination choice. (13% of leisure travelers or 23 million leisure travelers);
2. Well-Rounded/Active: Leisure travelers that are open to experiencing all types of activities while on a leisure trip, including cultural and/or heritage activities. (14% of leisure travelers or 24 million leisure travelers);
3. Aspirational: Leisure travelers who desire to experience and participate in cultural/heritage activities but have limited experiences with cultural activities during their most recent trip and during the past three years. (27% of leisure travelers or 46.3 million leisure travelers);
4. Self-Guided/Accidental: Leisure travelers who take advantage of cultural/heritage activities while on a leisure trip, but cultural/heritage activities aren't the driver for their destination choices. They most often prefer exploring small towns, galleries and self-guided historical tours. (11% of leisure travelers or 18 million leisure travelers); and
5. Keeping it Light: Leisure travelers that don't seek out cultural/heritage activities but will attend what they perceive as fun art, cultural and musical events. (11% of leisure travelers or 18.5 million leisure travelers.)

The research indicates that cultural and heritage travelers as a group tend to spend more than regular leisure travelers and of that group, well-rounded, passionate, and self-guided leisure travelers spend more than regular leisure travelers.

Delving further into travel behavior, Mandela's research indicates there is overlap between cultural tourism and recreational/ecotourism interests. "Passionates seek travel experiences that combine a wide variety of activities such as culture, shopping, nature, exercise and dining (92%) and all of the types of cultural/heritage travelers had a least a 76% response to this statement. Of all the travelers, 72% "seek travel experiences where the destination, buildings and surroundings have retained their historic character (**Figure B-2**).

[28] Mandela Research, The Cultural & Heritage Traveler, 2013 Edition. Slidedeck summary.

While it seems likely that this data, which is a decade old, is still relevant in many ways, the responses regarding the environment may see the most change now and in coming years as a growing awareness of climate change impacts affects traveler behavior and interests.

Figure B- 2. Psychographics of Cultural/Heritage Travelers

Top 2 Box (Strongly Agree/Somewhat Agree)	Total	Keeping it Light	Self-Guided/ Accidental	Aspirational	Well-Rounded/ Actives	Passionate
I prefer taking trips that are a combination of a wide variety of activities such as culture, shopping, nature, exercise, and dining	87%	89%	76%	89%	86%	92%
I like to bring back local regional memorabilia from the places I visit and share them with my friends and family	81%	77%	72%	80%	86%	87%
I believe tasting foods wines of the region I'm visiting is an important part of the cultural and/or heritage travel experience	80%	76%	71%	79%	88%	85%
I like to pursue a life of challenge novelty and change	73%	64%	65%	73%	82%	75%
I seek travel experiences where the destination, buildings and surroundings have retained their historic character	72%	62%	74%	68%	79%	81%
I want my travel to always be educational so I make an effort to explore and learn about the local arts, culture, environment	66%	52%	62%	66%	79%	70%
I am willing to pay more for travel experiences that do not harm the environment	55%	38%	39%	58%	72%	58%
I spend more money on cultural and/or heritage activities while I am on a trip	52%	40%	43%	48%	73%	56%
I often give back by donating money, volunteering etc. to the cultural and/or heritage destinations I have visited	49%	37%	30%	49%	71%	52%
I would pay more for lodging that reflects the cultural and/or heritage destination I am visiting	49%	31%	33%	48%	69%	55%

Source: Mandela Research, LLC, 2013

Within the class of leisure tourists known as cultural/heritage travelers, there is some research that shows the interests of this group are changing. Once focused on the cultural icons of large heritage sites and historic cities and town, the new breed of cultural tourism is now focused not only on the historic sites of the past, "but also on contemporary culture and creativity, neighbourhoods and everyday life.[29]"

In recent research,[30] the cultural tourism industry is seen as having three stages:

- Cultural Tourism 1.0 represents the trend of wealthy travelers exploring cultural destinations as a way to polish their image and educate themselves;
- Cultural Tourism 2.0 describes the investment in culture by the public sector to stimulate the economy; and

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[29] Richards, Greg, Cultural tourists: Profiles, Motivations and Activities, paper presented at the Third Cultural Heritage Seminar, Tourism and Cultural Heritage: Confluences. Barcelona, 8th November 2018. https://www.linkedin.com/pulse/cultural-tourists-profiles-motivations-activities-greg-richards/

[30] Ibid.

- Cultural Tourism 3.0 embodies new values with cultural tourism seen as a means of creating identity, stimulating social cohesion and supporting creativity along with its economic value.

The "cultural tourist of Culture 3.0 is now looking for experiences that are more integrated in local culture and creativity. These include street markets, street art, hip bars and restaurants and community festivals."

The Americans for the Arts *AEP5* report in 2013 states that "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."

This report also states that "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."[31]

Trends for Cultural Districts

Trends for cultural districts are relevant to Newburyport's Massachusetts Cultural Council-designated cultural district and to the overall marketing of destinations and experiences for residents and visitors. The Americans for the Arts outlines the three most important trends in tourism to consider in cultural district programming and investment:[32]

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

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[31] https://www.americansforthearts.org/by-program/reports-and-data/legislation-policy/naappd/cultural-tourism-attracting-visitors-and-their-spending, accessed 12/24.22.

[32] Americans for the Arts, National Cultural Districts Exchange 2013 Study, Cultural Tourism: Attracting Visitors and their Spending. While this study is a decade old, there are no indications that there are substantial shifts in the major conclusions of this work.

The Americans for the Arts report emphasizes the importance of community participation and collaboration in “creating and hosting authentic and immersive experiences” and that “immersive experiences, by their very definition, necessitate interaction between tourists and local residents—particularly artists, business managers and their employees, cultural institutions and staff.” This is an important recognition that cultural districts first and foremost serve local and regional residents and that collaboration and creativity are needed to make them successful.

The use of technology to market experiences and districts should be an intentional and coordinated approach. The report 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.”

Lastly, the report discusses the importance of “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.”

Part 3: Comparison of Newburyport Visitor Marketing and Online Experience to other Destinations

The questions asked when researching municipalities with destinations similar to Newburyport were:

- What qualities make this place similar to Newburyport and are there similarities that can offer lessons for the city when implementing the CEDS?
- How are cultural assets packaged and marketed online? What is the brand?
- Who leads in marketing and advocating for cultural tourism? What are other roles in this effort?

Three municipalities were explored, and information collected in order to compare to Newburyport’s marketing and services. These municipalities are:

Concord, MA is a town with a natural environment made famous by the Henry David Thoreau and the Transcendentalists of the mid-1800s. The history of the area, historic character of Concord Village and surrounding residential areas, and rural landscape combine with Revolutionary War history and the nearby Minuteman National Historic Park to provide multiple destinations for visitors.

Plymouth, MA offers beaches and coastal destinations, Puritan and early European settlement history, and shopping and dining destinations for visitors. As the site of Plymouth Rock and the Plimoth Patuxet Museums, the town combines high quality of life with a significant visitor economy.

Ludington, MI has done an exemplary job of melding recreation and outdoor destinations with arts and cultural offerings in this small town. The Town's efforts to development the Mason County Cultural Trail and the regional cooperation that has boosted a wide variety of arts and cultural businesses and organizations is a collaborative success story touted by Americans for the Arts as an informative case study on supporting cultural tourism.

Table B-10, beginning on the following page, offers a summary of information regarding Newburyport and the three comparison municipalities. Following the chart, there is additional information on each of the municipality's visitor online presence as well as some overall takeaways from the comparison.

Table B- 10. Comparison of Tourism Marketing and Services in Four Municipalities with Cultural and Recreational Assets

	Newburyport	Concord, MA	Plymouth, MA	Ludington, MI
Government	City	Town	Town	City
Land Area	10.71 sq mi	25.9 sq mi	134 sq mi	3.6 sq mi
Population (2020 estimated)*	17,416 (2020)	18,466	6,949	8,081
Median Age*	45.9 years	46.0* years	48.7	43
Number of Households (HH)*	7,419	6,357	3,464	3,381
Average HH Size*	2.41	2.67*	2	2.21
Median HH Income*	$110,740	$169,355	$65,647	$39,248
Historic & Cultural Resources	Maritime Museum; Museum of Old Newbury; Historic District; Plum Island Light House; Clipper City Tours; Clipper City Rail Trail; others	Concord Museum, Louisa May Alcott's Orchard House; Ralph Waldo Emerson House; The Old Manse; Codman Hill Burial Ground; Thoreau Farm; Brewster Woods, National Park Service Visitor Center (Minuteman NHP), Concord Village	Plimoth Patuxet Museums; Plymouth Rock; Mayflower Tours; Jenney Interpretive Center; Mayflower II; Grist Mill; numerous other sites	The *Mason County Cultural Trails*, a network of thematic trails throughout the county, offer an interactive experience to learn more about the culture and history of our community. Others: Maritime Museum, Children's Museum
Arts Resources	Public Art; Firehouse Center for the Arts; Newburyport Art Association; The Screening Room; Newburyport Cultural District; various galleries	The Umbrella Arts Center, Concord Art (Concord Center for the Visual Arts), 51 Walden Arts Center 3 Stones Gallery, others (links at www.visitconcord.org)	First Fridays Plymouth; Plymouth Center for the Arts; Priscilla Beach Theatre; Spectacle Live; Plymouth Philharmonic Orchestra; Project Arts/Nightlife Music; Spire Center for the Arts; and more	Galleries of drawing, pottery, fiber sculptures, painting, jewelry; Waterfront Sculpture Park; downtown history murals; West Shore Arts Fair (July); Gold Coast Artisan Fair (Aug); band shell with free concerts

Natural Resources (notable)	Merrimack River and Atlantic Ocean; Plum Island; Parker River National Wildlife Refuge; Coastal Trail; Maudslay State Park; others	Water - Sudbury River, Assabet River, Walden Pond, Great Meadow's National Wildlife Refuge, Brewster's Woods Wildlife Sanctuary, Trails	Ellisville Harbor State Park; Crawley Woodlands Preserve; Manomet Inc; North Plymouth Rail Trail; Massachusetts Cranberries; The Jetty; Tidmarsh Wildlife Sanctuary; Russell & Sawmill Pond Trail; others	Boating and swimming on Lake Michigan, Hamlin Lake, and other smaller inland lakes; hunting, fishing, and camping; Ludington State Park and Big Sable Point Light; Nordhouse Dunes Wilderness; Manistee National Forest; others
Municipal/ Tourism Staff	No economic development or tourism staff; chamber does some marketing and outreach but does not serve as DMO	Town Department of Economic Vitality & Tourism – staffed by Tourism Manager	See Plymouth is a nonprofit membership supported DMO for the town and the county – President and CEO of this organization is listed as the economic development and tourism contact for the Town on the official Town website	City: Cultural Development Officer Regional: Economic Development through the Mason County Growth Alliance and small business assistance Tourism: CVB DMO
Physical Visitor Center	On the waterfront but no information is available when Googling for "Newburyport visitor center." Essex County visitor center is in the Maritime Museum (also difficult to find info online)	Concord Visitor Center – open hours vary by season; Tourism Manager available year-round by appointment or email; public bathrooms open year-round 7-7	See Plymouth operates 3 visitor centers: 4 North Street in downtown; the Waterfront Visitor Center; and the Massachusetts Visitor Center located just off the Highway at Route 3. Between the three, info is available 24 hours per day with live staffing generally offered 8-6 daily at the waterfront center	The downtown Ludington Visitor Information Center is open Memorial Day through Labor Day and is staffed by local volunteers offering information on Ludington & Mason County
Websites	Newburyport.com (independently owned by a for-profit business); northofboston.org is a site that features Newburyport and is lower on the results list	www.visitconcord.org www.concordchamberofcommerce.org www.concordma.gov – Visitors button on home page redirects to visitconcord.org	https://seeplymouth.com/ - robust visitor site https://plymouthchamber.com/ has limited information on events and activities	https://visitludington.com/ is run by Advantage Marketing & Publications, Inc. https://pureludington.com - is run by the Ludington Area Convention & Visitors Bureau which serves as the DMO for the city

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates and 2017 – 2021 ACS 5-Year Estimates.

Notes about Newburyport’s Visitor Marketing and Services

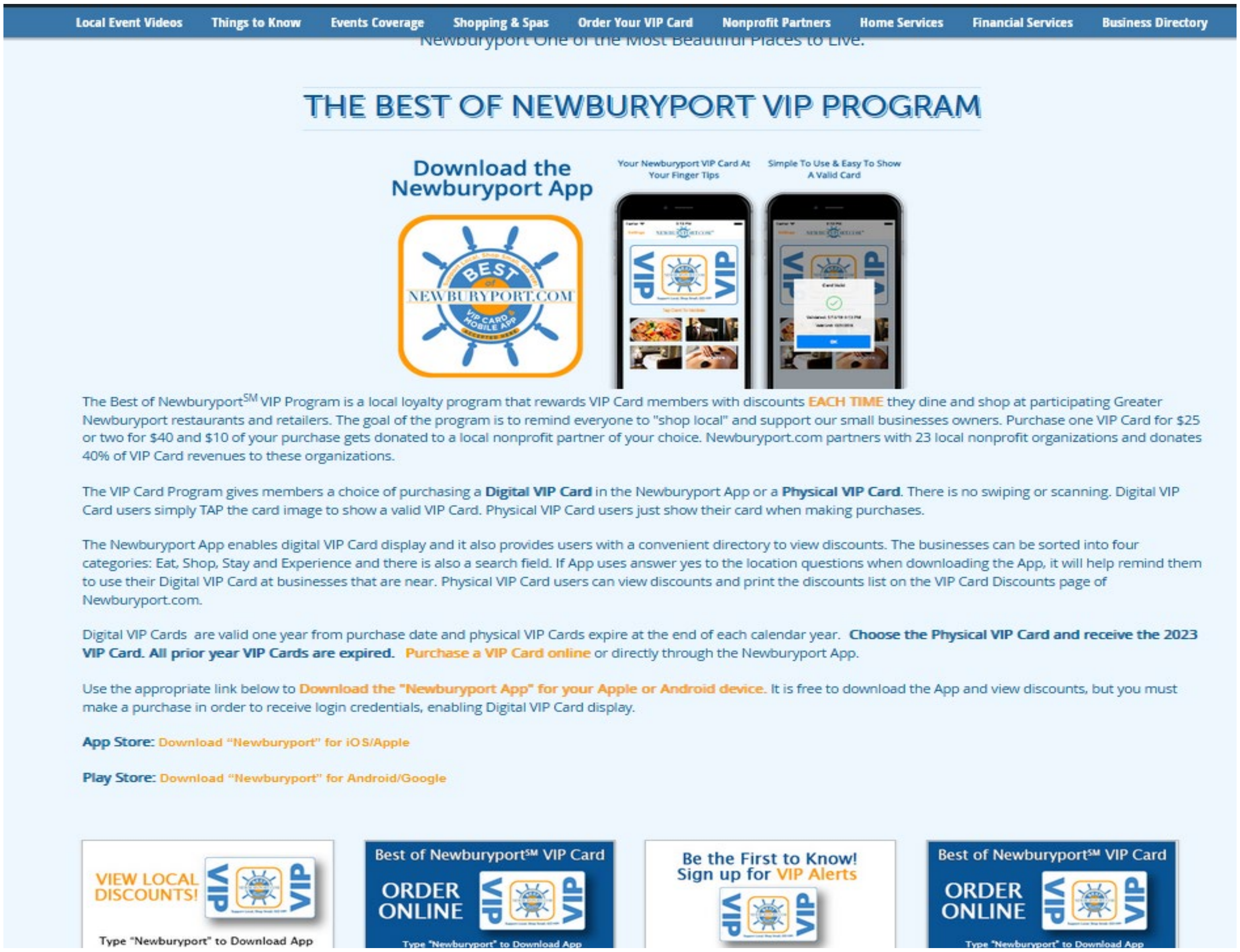
A Google search of “visit Newburyport, MA” results in www.newburyport.com/ at the top of the list. The home page offers the following introduction to the city for visitors:

> Your Guide to Newburyport, Massachusetts
>
> Newburyport is a city 35 miles North of Boston. Anchored on a rich Maritime heritage and family unity with hardworking local small business owners as the driving force enticing visitors and creating demand to live in Newburyport, experiencing a lifestyle that is second-to-none. From our national attractions, beaches and boating community, to our award-winning dining and shopping, Newburyport, It's a Lifestyle.™
>
> For this reason, Newburyport.com is community focused Coastal Lifestyle Site dedicated to promoting Newburyport's best restaurants, shops, and small businesses and local nonprofits who work together collectively supporting our local nonprofits to keep keeping Newburyport One of the Most Beautiful Places to Live.

Newburyport.com is controlled and maintained by a for-profit company and the site is a mix of information for residents and visitors and includes coverage of the larger region (**Figure B-3**). The website contains a broad mix of info including resident information, regional calendars (including municipal trash pickup days), VIP discount programs, realtor info, etc.

Figure B- 3. Pages from the Newburyport.com Website

Home Page:


Local Event Videos | Things to Know | Events Coverage | Shopping & Spas | Order Your VIP Card | Nonprofit Partners | Home Services | Financial Services | Business Directory

Newburyport One of the Most Beautiful Places to Live.

THE BEST OF NEWBURYPORT VIP PROGRAM

Download the Newburyport App

Your Newburyport VIP Card At Your Finger Tips

Simple To Use & Easy To Show A Valid Card

The Best of Newburyport(SM) VIP Program is a local loyalty program that rewards VIP Card members with discounts EACH TIME they dine and shop at participating Greater Newburyport restaurants and retailers. The goal of the program is to remind everyone to "shop local" and support our small businesses owners. Purchase one VIP Card for $25 or two for $40 and $10 of your purchase gets donated to a local nonprofit partner of your choice. Newburyport.com partners with 23 local nonprofit organizations and donates 40% of VIP Card revenues to these organizations.

The VIP Card Program gives members a choice of purchasing a **Digital VIP Card** in the Newburyport App or a **Physical VIP Card**. There is no swiping or scanning. Digital VIP Card users simply TAP the card image to show a valid VIP Card. Physical VIP Card users just show their card when making purchases.

The Newburyport App enables digital VIP Card display and it also provides users with a convenient directory to view discounts. The businesses can be sorted into four categories: Eat, Shop, Stay and Experience and there is also a search field. If App uses answer yes to the location questions when downloading the App, it will help remind them to use their Digital VIP Card at businesses that are near. Physical VIP Card users can view discounts and print the discounts list on the VIP Card Discounts page of Newburyport.com.

Digital VIP Cards are valid one year from purchase date and physical VIP Cards expire at the end of each calendar year. **Choose the Physical VIP Card and receive the 2023 VIP Card. All prior year VIP Cards are expired.** Purchase a VIP Card online or directly through the Newburyport App.

Use the appropriate link below to Download the "Newburyport App" for your Apple or Android device. It is free to download the App and view discounts, but you must make a purchase in order to receive login credentials, enabling Digital VIP Card display.

App Store: Download "Newburyport" for iOS/Apple

Play Store: Download "Newburyport" for Android/Google

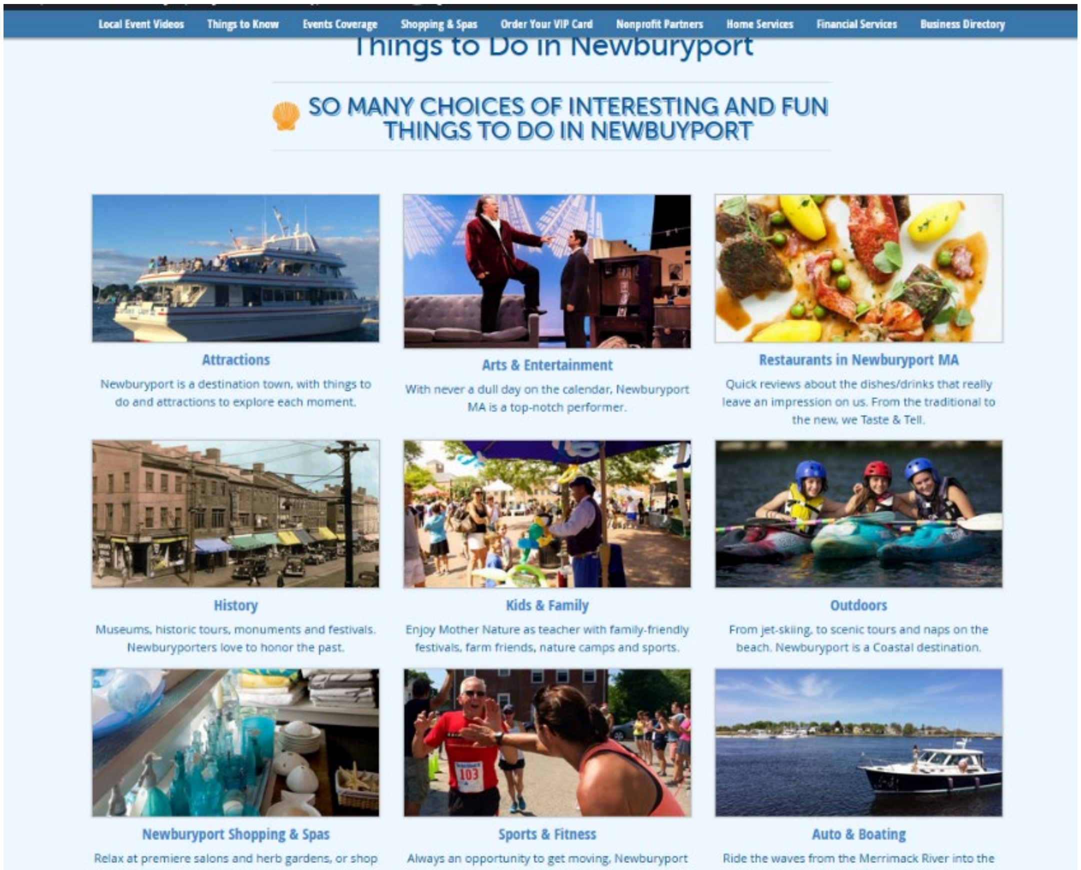
VIEW LOCAL DISCOUNTS! Type "Newburyport" to Download App

Best of Newburyport(SM) VIP Card ORDER ONLINE Type "Newburyport" to Download App

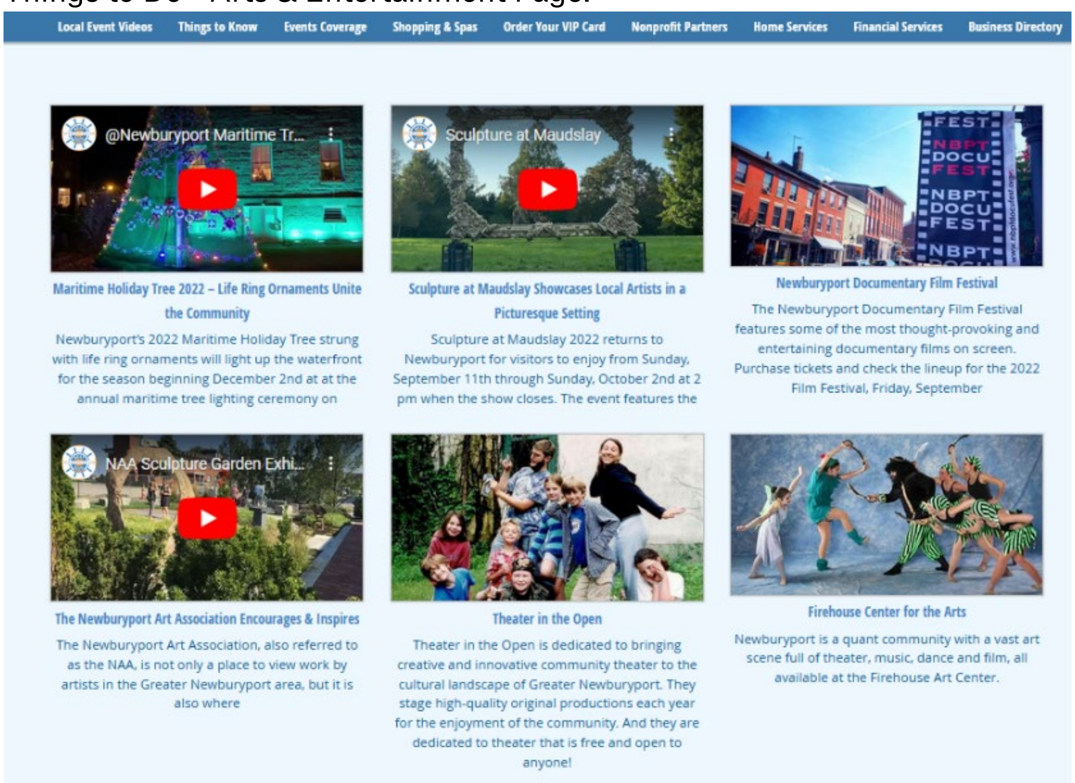
Be the First to Know! Sign up for VIP Alerts

Best of Newburyport(SM) VIP Card ORDER ONLINE Type "Newburyport" to Download App

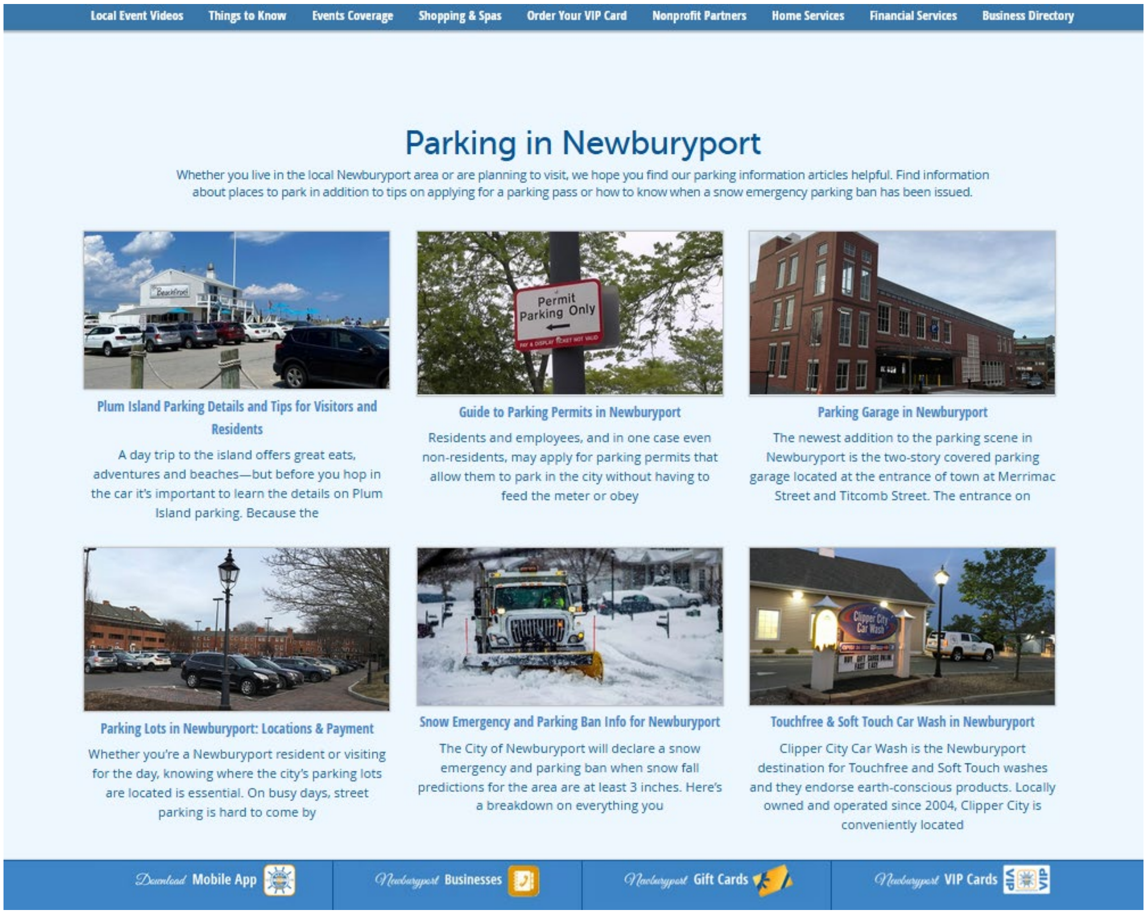
Things to Do Page:



Things to Do - Arts & Entertainment Page:



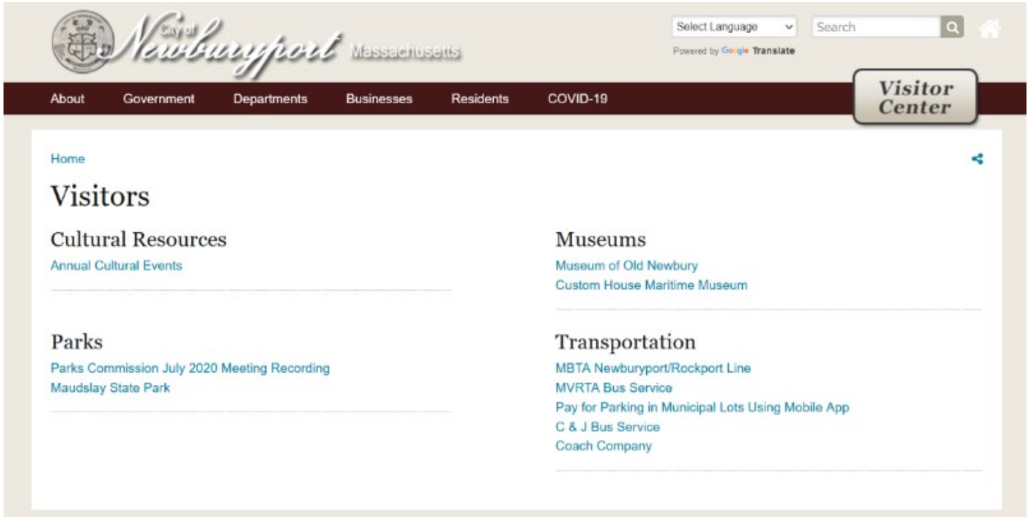
Parking Page:



Source for all images: Newburyport.com

The City's visitor information website page is incomplete with no graphics (**Figure B-4**).

Figure B- 4. Visitor Page on the City of Newburyport Website



Source: City of Newburyport Website, Visitor Page

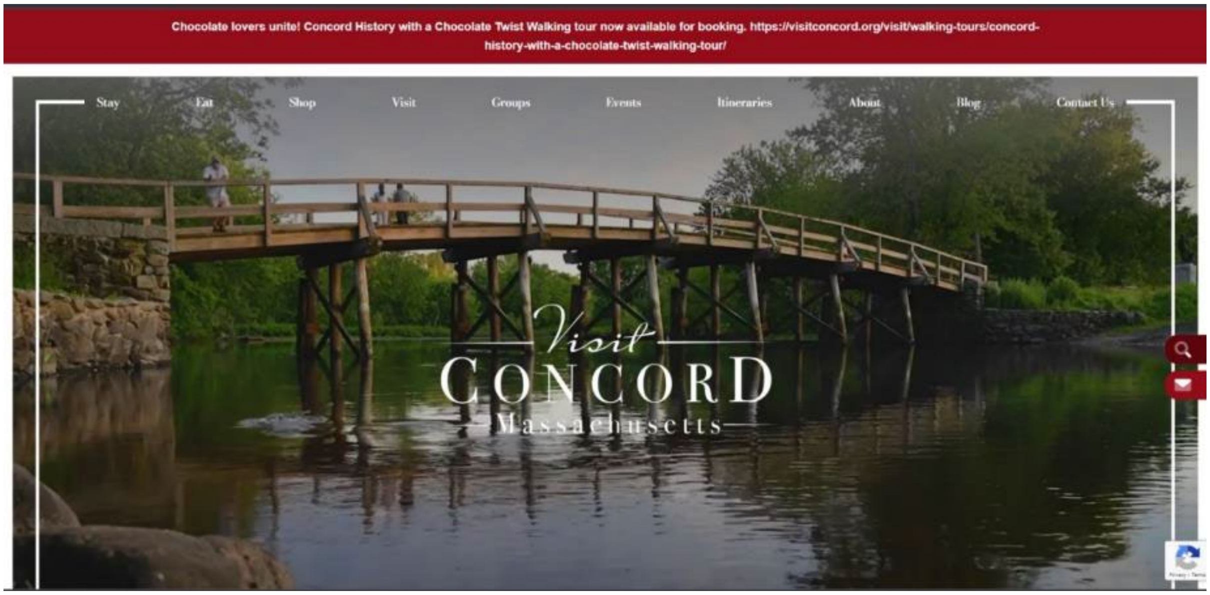
Notes about Concord's Visitor Marketing and Services

A Google search of "visit Concord, MA" returns visitconcord.org as the top result (**Figure B-5**). The concordchamberofcommerce.org website is not in the top listings but can be found by Googling "Concord, MA businesses." The difference between Concord's visitconcord.org and the Chamber of Commerce's website (**Figure B-6**) clearly illustrate the different roles for each entity (the Town and the Chamber) – the former is for visitors with links to just some businesses (not a definitive list) to expand on the experience as well as information on events and destinations, including for arts, historic, cultural, and recreation. There is practical information about parking, access by public transportation (the MBTA commuter rail), bike rental, the Concord trolley, and links to other websites including https://discoverconcordma.com/ and https://www.livingconcord.com/. Visitors to visitconcord.org can download a free digital guide or request a copy by mail. There is also a tab for Groups – as there are tour buses that come into town.

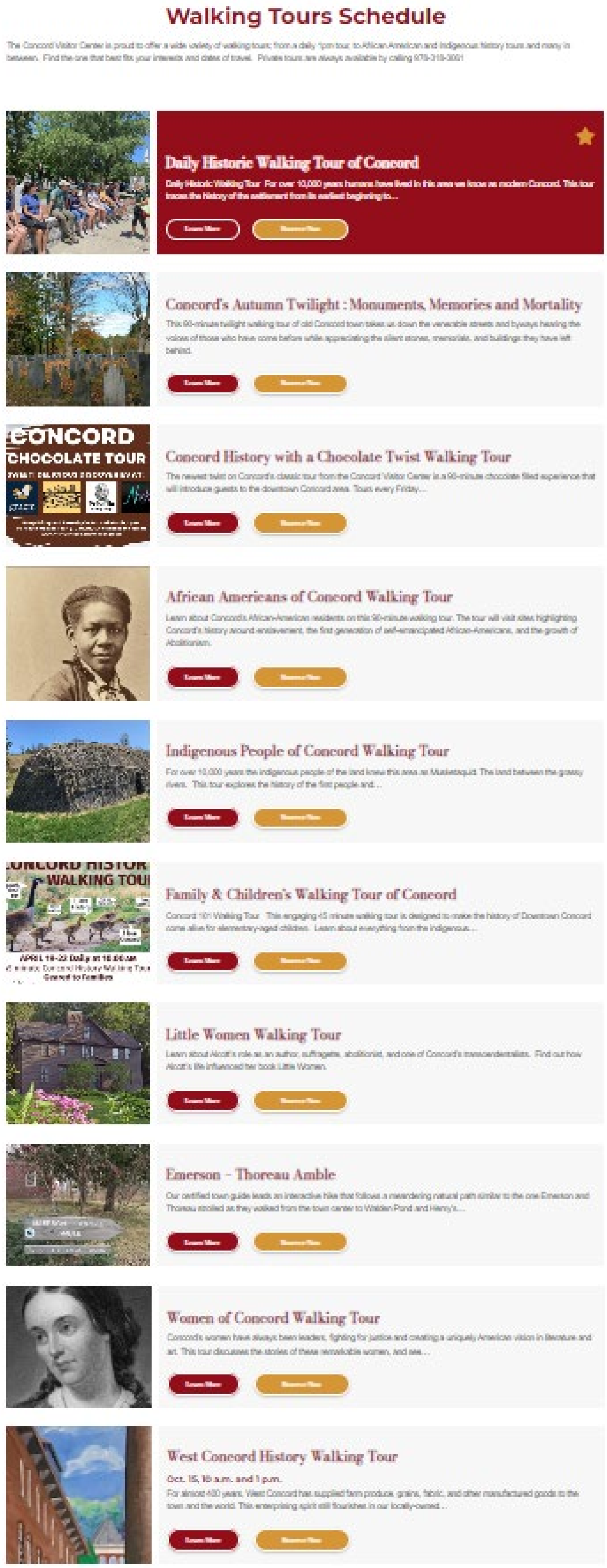
The Chamber of Commerce website focuses on businesses, nonprofits, and all the other organizations with information on technical assistance and events for Chamber members. On the Partnerships page, the last bullet is "ChamberHub: 3rd party providing marketing and business services for members."

Figure B- 5. The Visit Concord Website

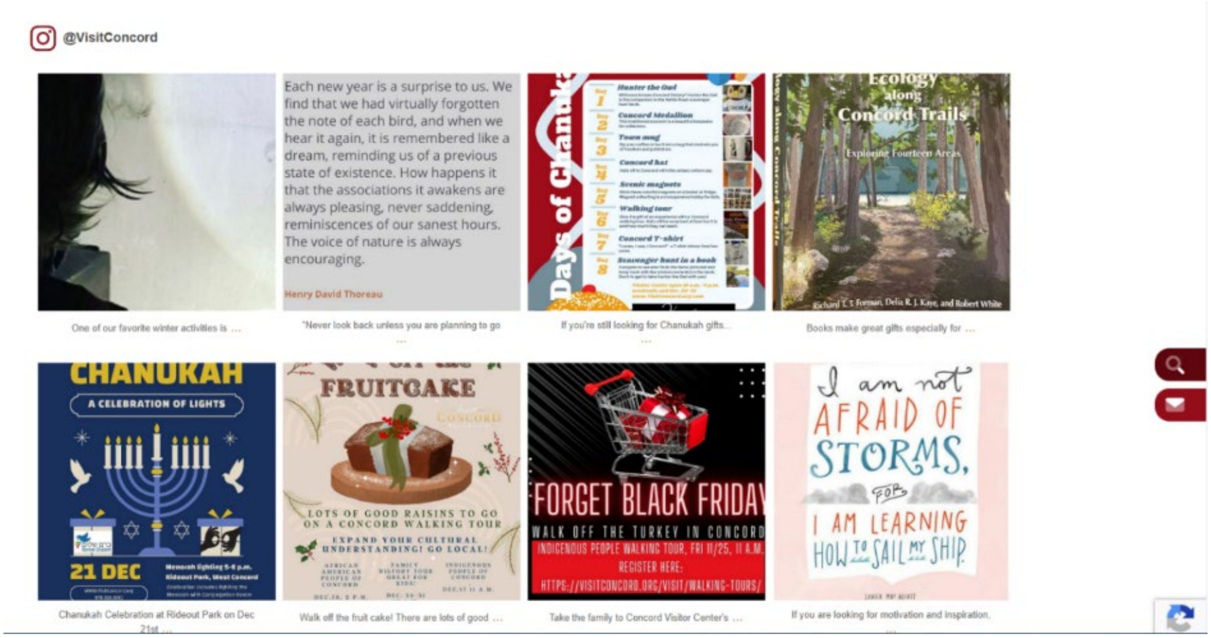
Home Page:



Walking Tours Page:



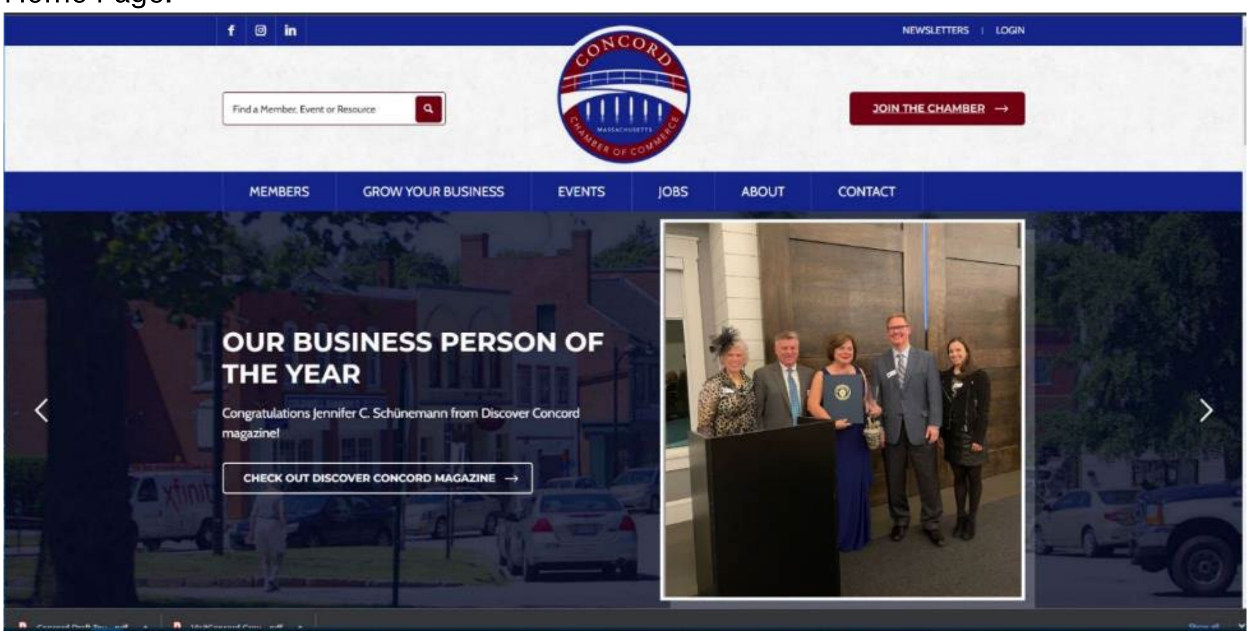
Instagram Images on Website:



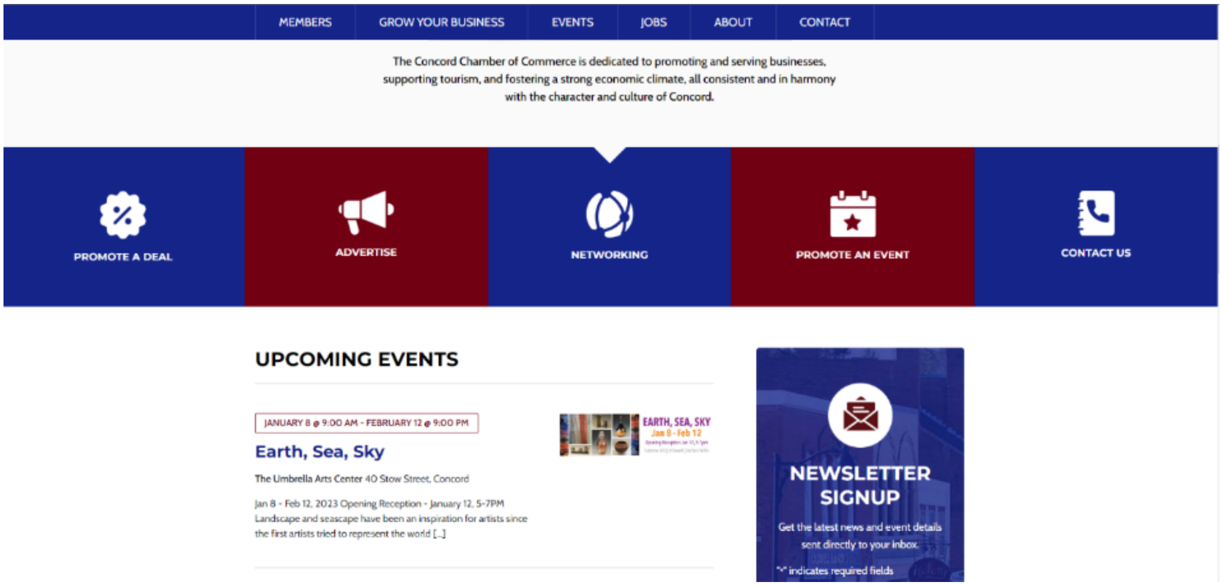
Source: Pages from www.visitconcord.org

Figure B- 6. Chamber of Commerce Website, Concord, MA

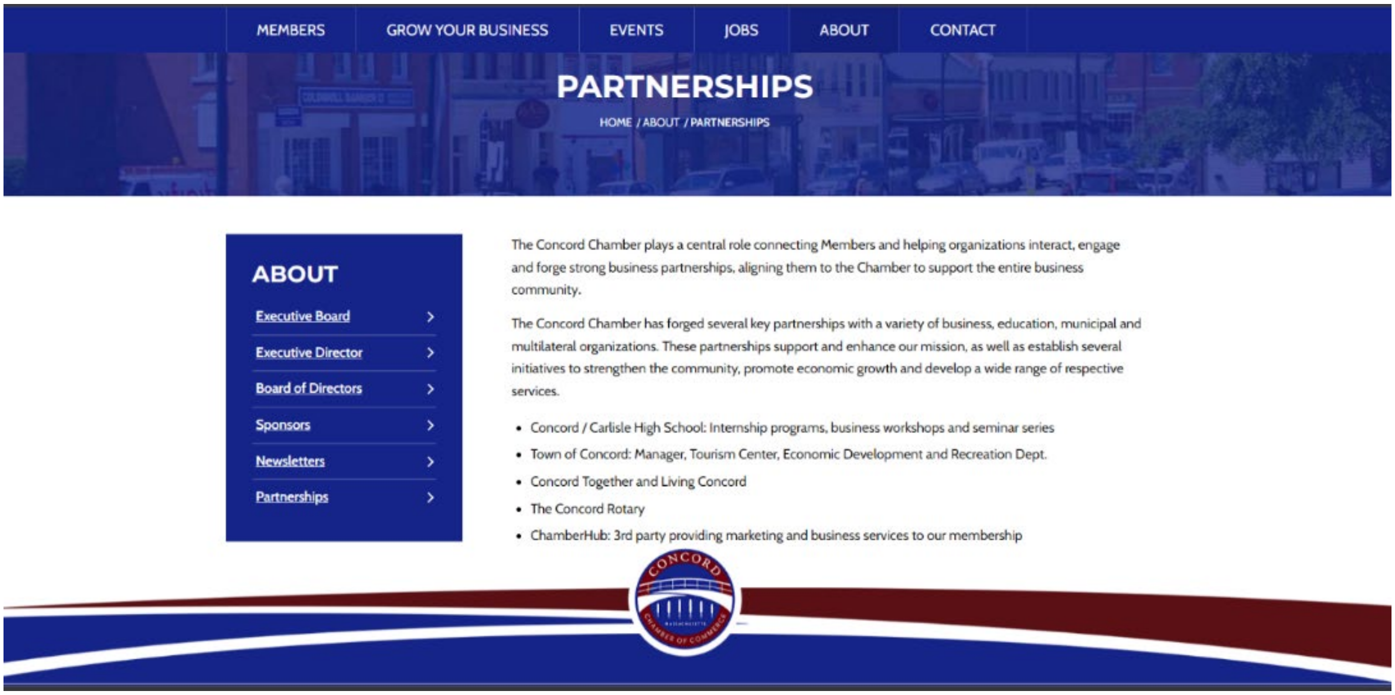
Home Page:



Events Page:



Partnerships Page:



Source: Pages from www.concordchamberofcommerce.org

Notes about Plymouth's Visitor Marketing and Services

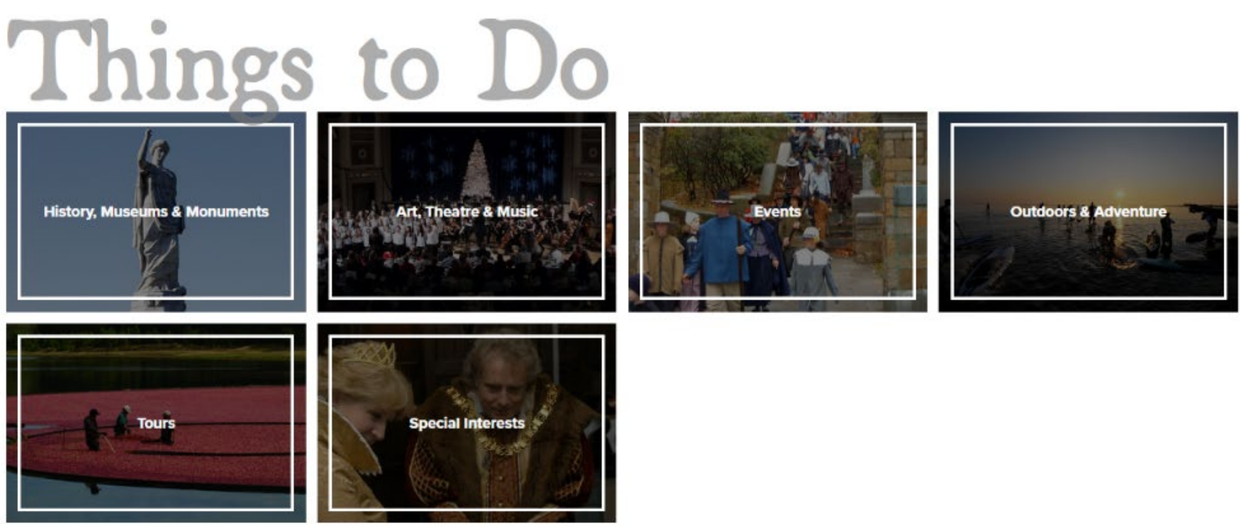
A Google search of "visit Plymouth, MA" results in seeplymouth.com at the top of the results. The visitor website offers this first impression of the Town:

> "Plymouth County offers cranberry farms, beautiful nature walks and more. Within the county is Plymouth, MA, the home of Plymouth Rock, a universal symbol of America. It is where the Mayflower came ashore 400 years ago, bringing with it English pilgrims who helped found the nation. The town and county of Plymouth boasts some of the best whale watching, dining, shopping, and cultural activities in a quaint New England setting, much of it nestled along the seashore. It is a history lover's paradise, a family friendly atmosphere, and easy walking as you take in breathtaking sunrises."

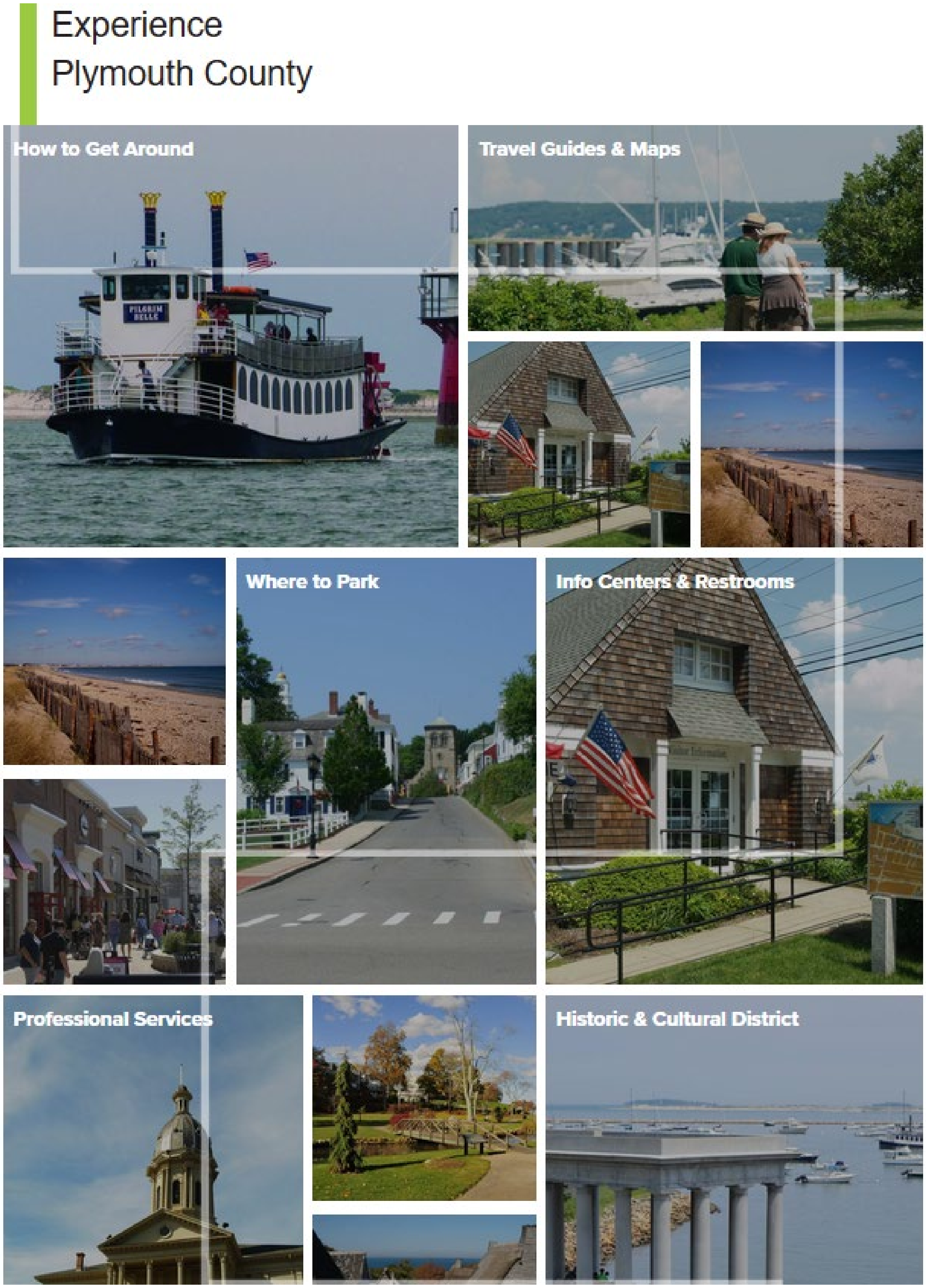
The official website for the Plymouth, MA tourism industry, seeplymouth.com promotes and markets the town and county as a leading travel destination (**Figure B-7**).

Figure B- 7. See Plymouth Visitor Website

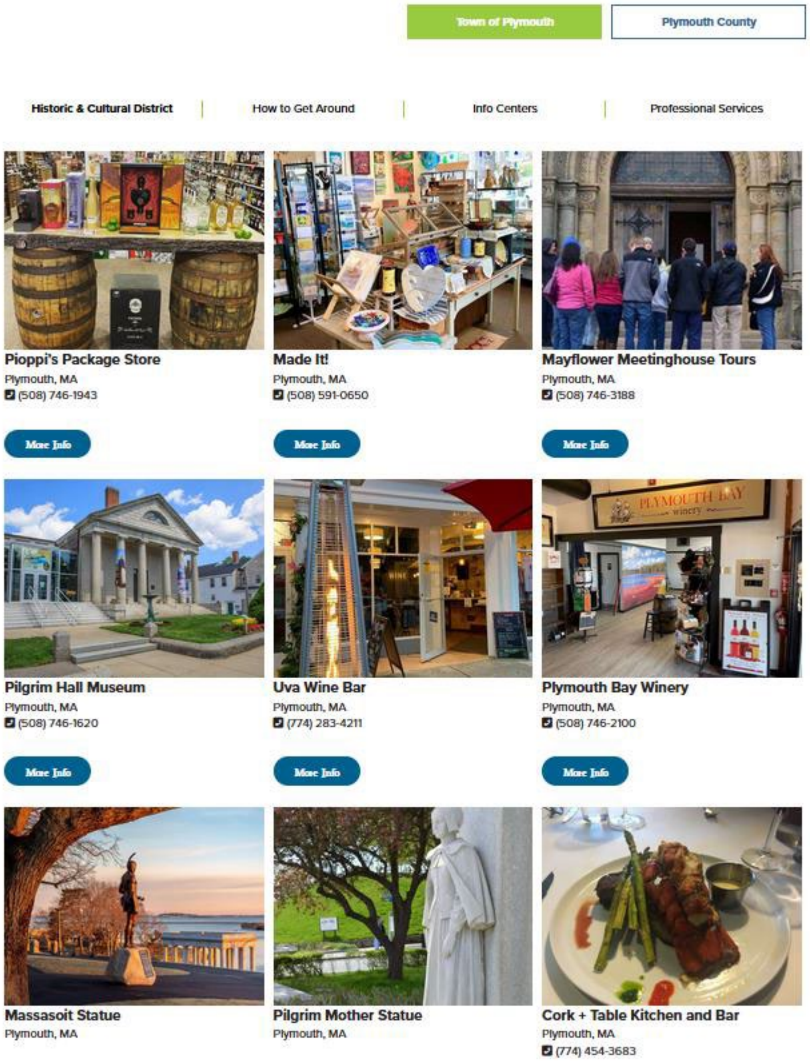
Things to Do Page:



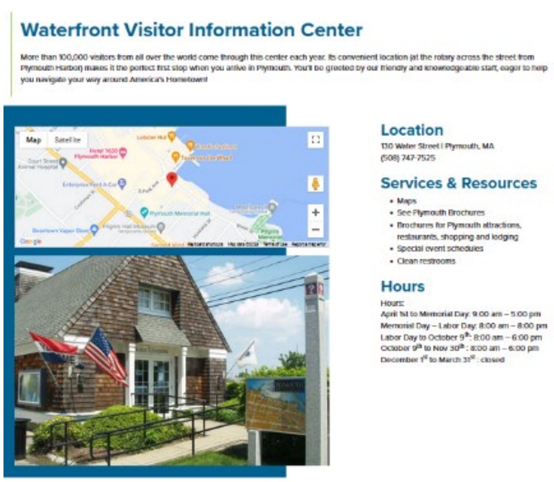
Experience Plymouth (Useful information) Page:



Plymouth Historic Cultural District Web Page:



Visitor Center Web Page:



Source: Pages at seeplymouth.org

See Plymouth is a not-for-profit, investor-driven marketing organization for the town and county of Plymouth, MA. See Plymouth is made up of two destination management organizations: Destination Plymouth, which services the town of Plymouth and Plymouth County Convention and Visitors Bureau, one of sixteen official Regional Tourism Councils in Massachusetts, that services Plymouth County.

See Plymouth operates tourism offices at 4 North Street in Plymouth MA, the Waterfront Visitor Center in the Town of Plymouth, and the Massachusetts Visitor Center located at Route 3, Exit 13 (old Exit 5) in Plymouth.

Visitors to the seeplymouth.com website can download a free digital visitor guide or request a copy by mail. The historic and cultural district information is offered on the website with links to each destination. Maps are also available online for download and there is a tab on the site for groups and weddings.

Notes about Ludington's Visitor Marketing and Services

A Google search of "visit Ludington, MI" brings the visitludington.com website to the top of the search results, which is owned and maintained by Advantage Marketing & Publications, Inc., a for-profit independent company that sells sponsors/advertising for support.

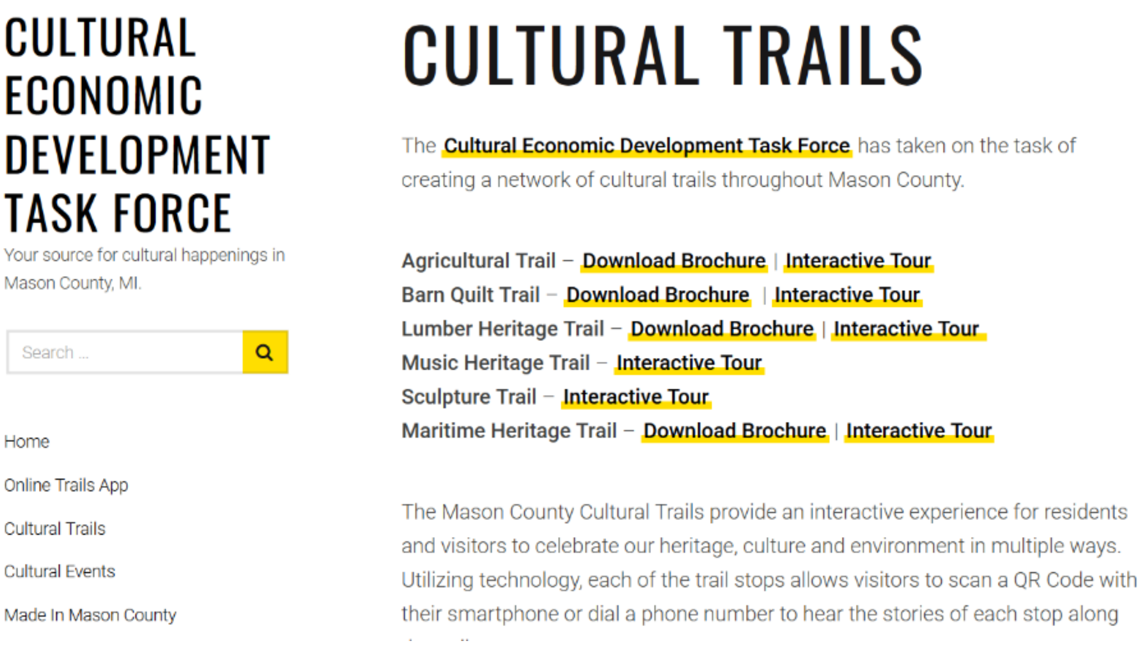
Second on the search results list is the pureludington.com website which is run by the Ludington Area Convention & Visitors Bureau (LACVB) which serves as the official destination marketing organization for Mason County. The visitor webpage offers this introduction to the city:

> The Ludington area is the perfect four-season destination, thanks to its almost-endless offerings of activities and events.
>
> Outdoor enthusiasts can choose from both summer and winter sports galore. When you need a break from the great outdoors, you can climb to the top of two area lighthouses, visit one of our many art galleries, take in some history at Historic White Pine Village or let the kids explore their imaginations at Sandcastles Children's Museum. Stroll though our vibrant, downtown shopping district, or venture into the shops, galleries and restaurants in beautiful downtown Ludington.
>
> And while the Ludington area may be relaxing, it is anything but sleepy. With exciting events like the Gus Macker Basketball Tournament, Offshore Classic Fishing Tournament or New Year's Eve Ball Drop, there is always a reason to come

back throughout the year! Whatever you choose, you'll see why Pure Ludington is your complete destination for family fun!

A key element of visitor marketing has been the creation of a regional collaborative initiative creating a series of themed trails (**Figure B-8**). These trails identify key destinations in maps that are interactive and that can also be downloaded (**Figure B-9**). The trails appeal to a variety of interests and seek to broaden the market for visitors to the city.

Figure B- 8. Luddington Cultural Trails Website Page



Source: pureludington.com

Source: pureludington.com

Key Comparison Takeaways

In these three visitor destinations, there is a designated DMO, sometimes the municipality with dedicated staff, and other times a DMO that may be a collaborative effort or an initiative of a Convention and Visitors Bureau or regional chamber of commerce. The online presence of all three examples is streamlined to visitors with simple categories, useful maps, and compelling graphics. All three destinations have dedicated Instagram accounts, although the degree to which they actively post destinations and events varies. Each site also offers current information on events, and some provide useful contacts and guides for group/wedding visitors as well as film shoots.

In Ludington, a years-long collaborative effort to connect destinations and create themed experiences has garnered national attention and resulted in clear and user-friendly maps and guides for these cultural trails.

Regional cooperation is a key element of the See Plymouth site with a useful button to filter results by either the town or the county.

While Ludington (Pure Ludington) and Plymouth (See Plymouth) each offer tag lines or brands, Concord eschews tag lines and brands and simply presents itself. It is interesting to note that “Accommodations” is the first visual link on the choices offered on the visitconcord.org home page…this is an example of how a municipal or municipal-controlled visitor website and targeted marketing can be directed to serve municipal goals. Concord residents have expressed an interest in growing overnight tourists and limited marketing for the tour buses and cruise ship tours arriving by bus from Boston Harbor…understanding the research which indicates that overnight visitors generally spend more in the local economy and have other benefits while limiting unwanted impacts.

It is important to note that the information on businesses and destinations in Plymouth’s cultural and historic district is not static (Newburyport’s cultural district map is out of date and not easily updated) but can be changed by adding new images and links to destinations as these change over time.

Part 4: Overall Conclusions: What this means for Newburyport and the CEDS

The data from MOTT and from research on cultural tourism trends and visitor profiles can help guide Newburyport in its efforts to provide a range of experiences and services that benefit residents and support tourism. Key takeaways from the Massachusetts tourism data, the cultural tourism market trends and the comparison communities include:

- Travel and tourism were hit hard by the pandemic; the degree of rebound in Newburyport can only be estimated by information from local businesses and destinations sales and audience data;
- More than half of domestic person trips to Massachusetts (and likely to Newburyport) originated in New England with another 21% from NY, NJ, and PA. These northeastern states account for more than 75% of domestic visitors, constituting a strong and core visitor market that should be the focus of marketing strategies to support and increase the visitor economy in the city;
- Tourism trends of “staycations” and growing anxiety about the economy and vacation costs, as well as concerns for traveler carbon footprints all indicate Newburyport has a strong market for potential visitors within the larger region;
- With the personal automobile the dominant mode of Massachusetts visitor transportation (over 70%), accommodations for drivers and mitigation of auto impacts should be a high priority. These strategies could include:

- Better online information on parking, bike rentals, and walking routes (information is scattered and there is no one map that shows all options for visitors (or residents);
  - Enhanced wayfinding for parking availability;
  - Consideration of remote parking areas and shuttle services for visitors; and
  - Marketing to those without an automobile (likely residents in Boston and other urban centers in New England) that provides information on commuter rail, the Clipper City Rail Trail, and walking distances/routes, as well as any other public transportation that may be available. The trend of "Bleisure" travel provides opportunities for Newburyport to attract Boston business travelers who may not have an automobile. The walkability of the city and the rail trail connecting the MBTA commuter rail to the downtown and waterfront make the city ideal for day visits by train.
- Since visiting friends and relatives is the primary trip purpose for almost half of Massachusetts visitors, providing Newburyport residents with information about destinations and experiences that would appeal to them and their guests could enhance visitor experiences and grow the visitor economy. These strategies could include:
  - Information packets on walking tours, discount tickets, performance/dining packages distributed at local restaurants and shops;
  - Information included in e-blasts from City Hall; and
  - Chamber of Commerce focus on residents and their influence on guest visitor behavior.
- Cultural tourists are interested in a wide variety of attractions and experiences and those most passionate about culture are also interested in destinations that offer recreation, food, and educational explorations. Newburyport's branding for visitors should be inclusive of many aspects of the city and not focus on one theme;
- According to national data, the return of audiences to indoor Newburyport cultural events and performances may be tied to safety precautions and mask requirements, as not all travelers and cultural patrons are comfortable with a "full open" policy;
- Almost half of domestic visitors who spent at least one night in Massachusetts reported staying in a hotel, motel, or bed and breakfast. With a limited supply of the lodging offerings, Newburyport is missing out on serving this major segment of the visitor market and along with it, the increased expenditures made by overnight visitors that can benefit local restaurants and destinations;
- Newburyport's visitor resources are confusing and offer mixed messages. The top search result for "visit Newburyport, MA" offers text-heavy information for both visitors and residents and also serves as a real estate resource. There is excellent information on the site but the message is unclear and information is hard to find.

Sample websites of some comparative destinations have common attributes such as streamlined information with bold graphics, clear all-inclusive maps for parking and trails/transportation, and offer theme-based categories for visitors looking for specific things; and

- Clear and compelling online visitor information seems linked to designated DMOs. Integration of visitor information centers, brochures and maps, and group/wedding services, as well as contact information and recruitment of film companies for on-site shoots, all are coordinated by one entity with support and assist from municipalities and local organizations and businesses, where applicable.

Interviews and Focus Groups Conducted for Newburyport CEDS

List of Interview and Focus Groups Conducted during the CEDS Process

Interviews

Newburyport City Government
Heather Shand, City Councilor

Andy Port, Director, Office of Planning and Development

Pat Cannon, Newburyport Cultural Council

Businesses (alphabetical order by business name)
Julie Ganong, Chococoa

Mike Trotta, Crystal Engineering

Alison Fruh, Fruh Realty

David Hall, Hall and Moscow

Mike Jones, Institution for Savings

Lloyd Ham, Newburyport Bank

Chris Skiba, Newburyport Development

Arts/Cultural and Historic Organizations (alphabetical order by organization)
John Moynihan, Firehouse Center for the Arts

Lisa Naas, Newburyport Art Association

Deidre Girard, Newburyport Arts Collective

Local and Regional Organizations (alphabetical order by organization)
Nate Allard, Greater Newburyport Chamber of Commerce

Nancy Gardella, North of Boston Convention and Visitors Bureau, Inc.

Mary Ann Ham, Northeast Advanced Manufacturing Consortium

Peter Stein, Service Corps of Retired Executives

Other Entities and Organizations (alphabetical order)
Mark Goldstein, Anna Jacques Hospital

Mathew Hillman, Parker River Wildlife Refuge

Focus Groups (Topics)

Arts, Cultural, and Historic Businesses and Organizations

Manufacturing

Real Estate

Small Business

Tourism