Introduction

This report contains the findings of research conducted by the Louisiana Sea Grant College Program at Louisiana State University (Sea Grant) under contract with the Office of Tourism of the Louisiana Department of Culture, Recreation, and Tourism (OT) during the latter part of 1999 and early 2000. The purpose of the project, *Changing Demographics and Their Implications for Louisiana's Tourism Industry*, was to study the important demographic changes that are taking place in Louisiana and its seven primary southern market states. Earlier research had indicated that some demographic changes, notably increases in older segments of the population and increasing numbers of people in certain ethnic groups, are likely to affect the demand for product lines at the state's public and private attractions. Current and projected demographic data for Louisiana and its major domestic tourism markets, i.e., the southern states of Texas, Alabama, Mississippi, Arkansas, Oklahoma, Florida, and Georgia, was studied to verify this suggestion.

The demographic projections are presented for each state by age categories and by race/ethnic group. National studies and earlier visitor profile surveys conducted by the Travel Industry Association of America and the University of New Orleans enabled Sea Grant to conclude that these distinct national population trends are likely to shape Louisiana's tourism future and thus affect the demand for certain types of attractions and activities.

In the report, the following terms are used interchangeably: Whites and Non-Hispanic Whites; Hispanic-Whites and Hispanics; and African-Americans and Blacks.

I. Demographic Outlook — U.S. and Primary Southern Market States

A. Overview

The U.S. population picture is changing. The country's population is aging and new immigrants are stimulating growth. According to the U.S. Census Bureau, the population in the United States is expected to grow from 264 million in 1996 to 300 million by the year 2010.

Population growth will be significant in the southern states that have traditionally been the largest sources of visitors to Louisiana (Texas, Alabama, Mississippi, Arkansas, Oklahoma, Florida, and Georgia). Together, these are considered the Southern Market States. Southern states are projected to grow by 22 percent between 1992 and 2010. Significantly, Texas' population is expected to increase by 29 percent, Florida by 22 percent, and Georgia by 33 percent.

Two major factors will affect the nation's demographic make-up in the first part of this century. First, 76 million baby-boomers will become senior citizens in the next decade. It is predicted that boomers "will soon be transforming elderly consumption patterns, social mores, and national politics in fundamental ways" (Frey, 2000).

The second major factor is a dramatic increase and change in ethnicity of immigrants. "In response to changes in the nation's immigration law and global economic forces, immigration to the United States has accelerated dramatically during the last decade, especially from Latin America and Asia (Frey, 2000). (Immigrants from Europe dominated this population sector in the 20th century.) New racial and ethnic diversity will probably exert a profound effect on the nation's economy in the decades to come and will inevitably require tourism professionals to adjust marketing efforts in order to attract these groups."

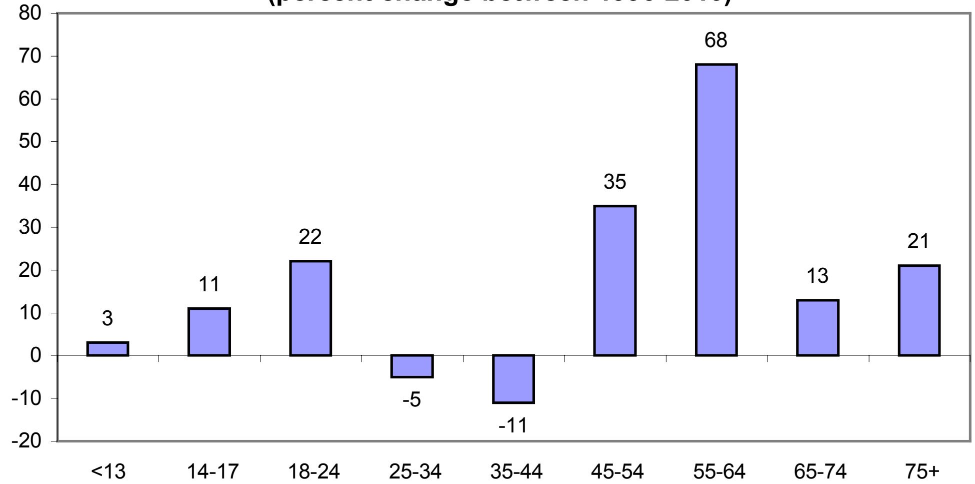
During the 1990s, African-Americans domestic migration increased within the US to southern locations. Many of these migrants are settling in the same states favored by the new immigrant groups.

All of these demographics will affect the composition of Louisiana's U.S. and primary southern market states. A closer look at each one can help tourism professionals evaluate and understand these changing target markets.

B. Baby Boomers Age

Nationally, a large portion of U.S. population growth will take place within the 45 to 54 and 55 to 64 age groups (Figure 1). The population in the United States is aging as its large baby boomer population reaches the mature stage of their lives. By the year 2010 more than 26 percent of the population will be between the ages of 45-64 (Redekop, 1997).

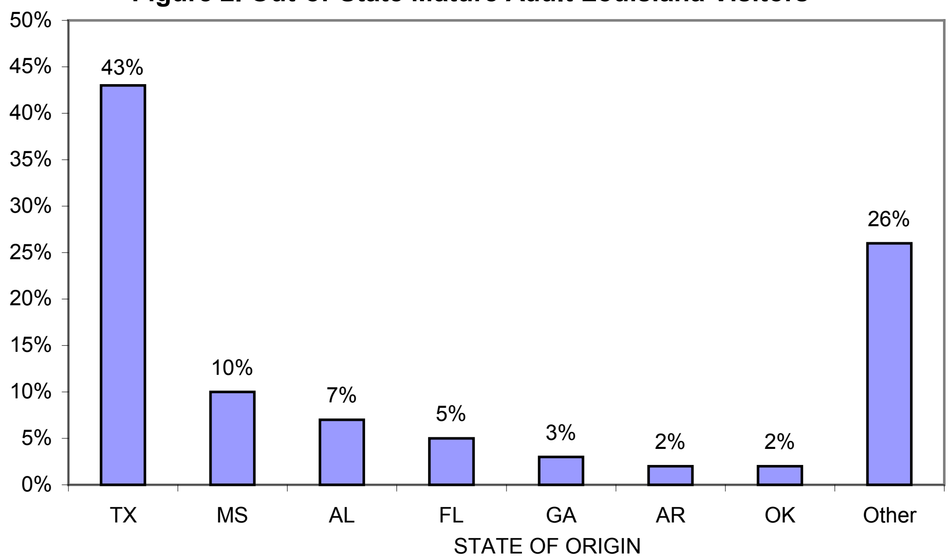
Figure 1. U.S Population Growth -- by Age (percent change between 1996-2010)



Sources: U.S. Bureau of Census; The Conference Board of Canada

These national trends are significant because mature travelers have traditionally represented a sizable market for Louisiana's destinations and attractions. According to the Travel Industry Association of America (TIA), in 1997 Louisiana hosted over seven million mature adult visitors. Nearly three-fourths of these visitors came from the seven southern states that constitute Louisiana's primary tourism markets (Figure 2).

Figure 2. Out-of-State Mature Adult Louisiana Visitors



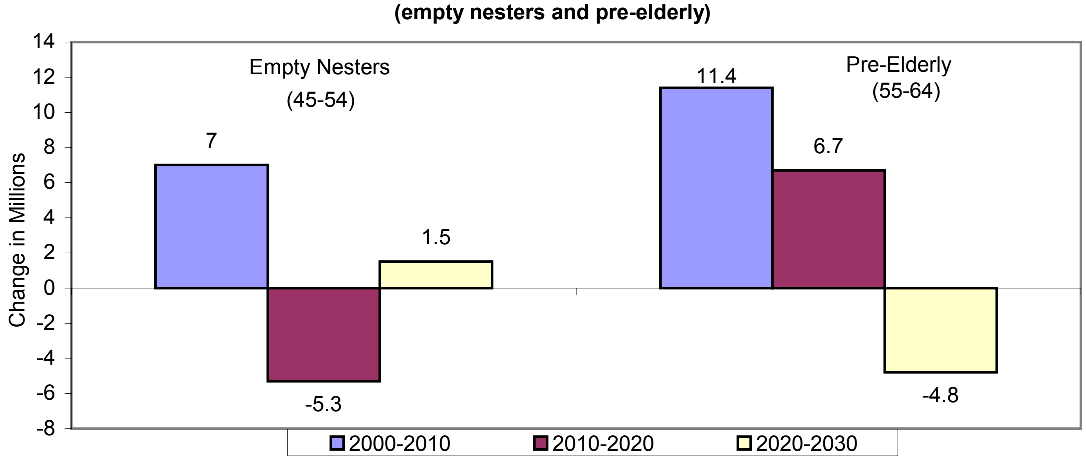
Source: Travel Industry Association of America, 1998

Baby boomers, according to William Frey of the Milken Institute, are those individuals who were born between 1946 and 1964. A 1997 Canadian Tourism Research Institute (CTRI) report, *Travel Forecast 2000*, provides important perspectives on baby boomers and leisure travel for the first part of the 21st century. These tourists are more experienced travelers, more adventurous than their earlier counterparts, and expect more out of their vacations than past generations. Baby boomers seek active relaxation and entertainment when they travel, and they want to learn new things. And because there are so many, they will represent significant demand. By the year 2016, "empty-nesters" who are mortgage and dependent-free will make up almost a third of family households. In addition, over the next 20 years, baby boomers will inherit as much as a trillion dollars from the previous generation, and most likely, they will be deluged with new products and services to purchase with some of it.

As the baby boom generation ages, it will remain unique in many aspects. Higher wealth accumulation and fewer children will permit many to enjoy a retirement lifestyle significantly different from most previous generations. What boomers buy and where they retire will have significant implications for states such as Louisiana and firms seeking to market to them. A few, well off "yuppie elderly" boomers (those born in the mid to late 1940's) will select high-amenity locations for retirement, primarily in the Sun Belt. Most of the others will "age in place"— passively remaining in their lifelong residence. In other words, where most boomers work today is a good approximation of where they will retire in 10 years (Frey, 2000).

Figure 3 depicts graphically the dominance of the baby boomers as they age over the next 30 years. The 45- to 54- year-old empty nester consumer market will change between 2010 and 2020 from a growing to a declining market as the smaller "Generation X" population advances into that age group. The pre-elderly, 55- to 64-year-old group will remain large for the next two decades as both halves of the boomer generation pass through it (Frey, 2000).

Figure 3. Population Changes in the Next Three Decades
(empty nesters and pre-elderly)

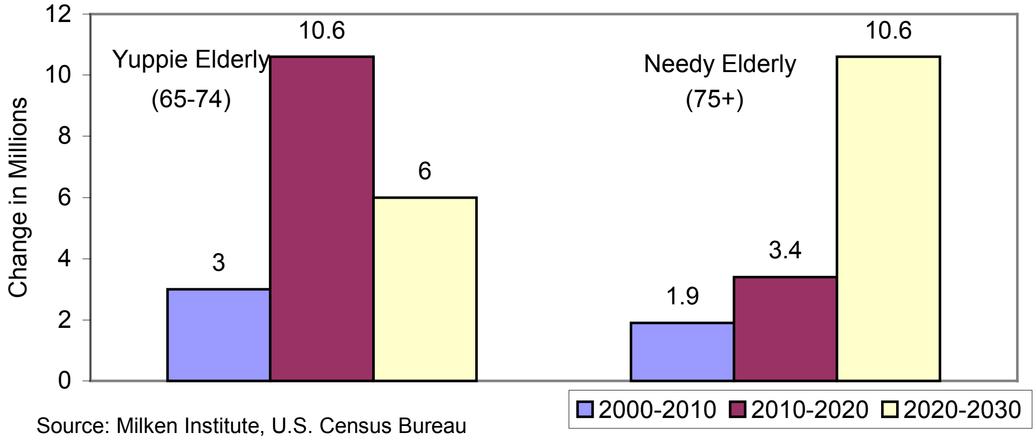


Source: Milken Institute, U.S. Census Bureau

In assessing the boomers effect on the post-65 age groups, it is important to make a distinction between the "yuppie elderly" and the "needy elderly." The yuppie elderly are most prevalent in the 65-74 age group. More than half of them are married. They are generally in good health and have high disposable incomes. The needy elderly are typically older than 75. A large portion are widows and dependent on the assistance of their families and social institutions (Frey, 2000).

In the second and third decades of the new century, the baby boomers will inflate dramatically the ranks of the elderly population (Figure 4). Early on, they will be part of one of the most sought-after markets for retirement communities and other consumer items. However, based upon their circumstances in earlier years, they will exhibit sharp disparities in their ability to afford a comfortable lifestyle — and as time passes, some will increase the size of the needy elderly population group (Frey, 2000).

Figure 4. Population Changes in the Next Three Decades
(yuppie elderly and needy elderly)



Source: Milken Institute, U.S. Census Bureau

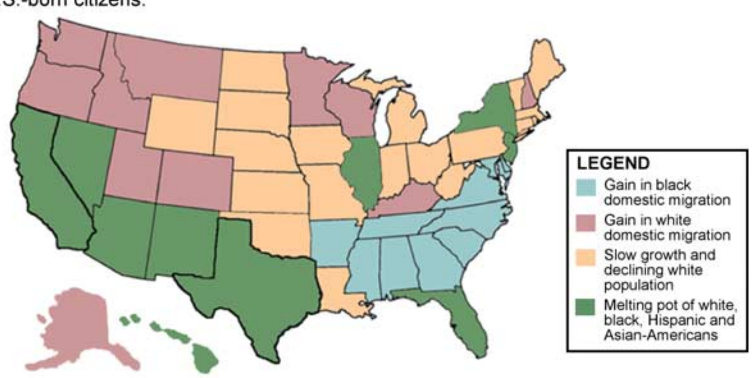
C. Changing Immigrant Racial and Ethnic Diversity

Immigrants and domestic migrants contribute racial and ethnic diversity to the United States and to tourism markets. Changes in both of these population groups are important considerations for Louisiana's tourism marketing plans.

Map 1 depicts the projected state population and economic gains and/or losses in racial groups through 2025. Some of this domestic migration may include foreign-born immigrants.

Map 1

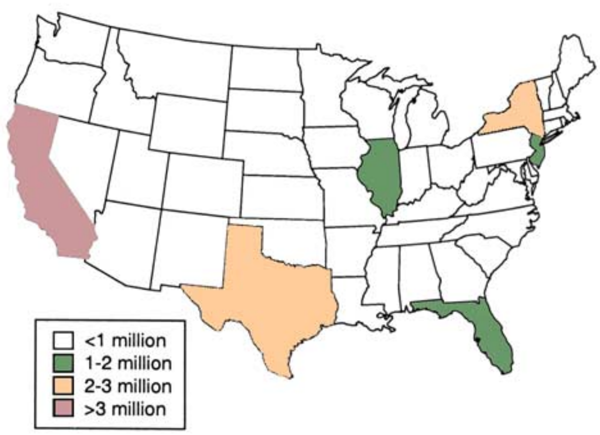
Shades of America. A breakdown of projected state population and economic gains and/or losses in racial groups by 2025. Domestic migration may include foreign-born immigrants, but the majority are U.S.-born citizens.



Source: Bill Frey, Center for Social and Demographic Analyses

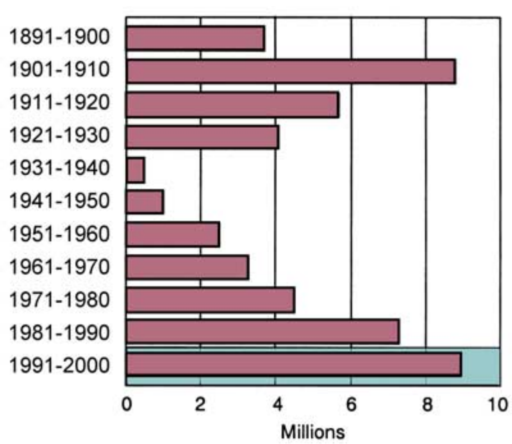
The new immigrant population is concentrated in four states (Map 2). Texas and Florida (part of Louisiana's southern market states), plus California and New York account for almost two-thirds of all immigrants to the U.S. Addition of the immigrant populations from only two more of these states, New Jersey and Illinois, accounts for three-quarters of it (Institute for the Future, 1998).

Map 2
Immigrants Come to Only a Few States
(millions of immigrants)



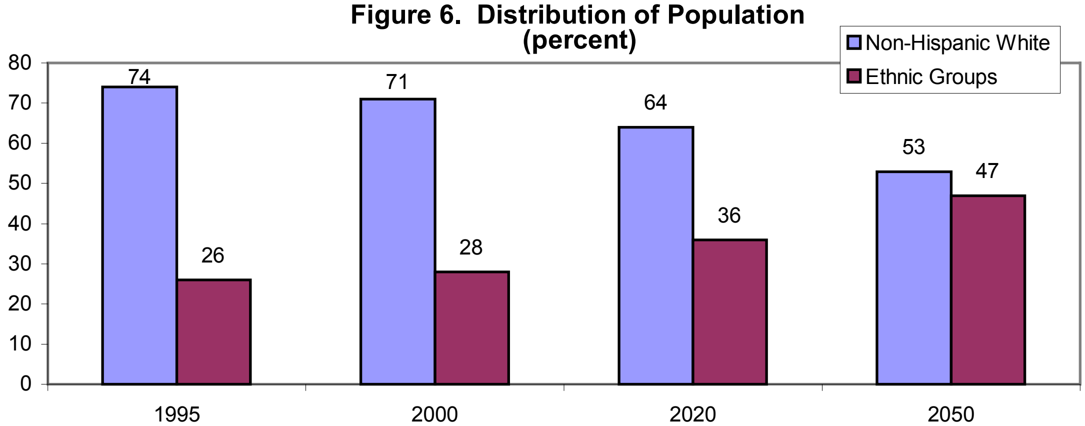
The accelerating rate of immigration since about 1930 is shown in Figure 5. The rate has increased each decade since a low in the 1930s when about 50,000 immigrants entered the country legally each year. By the late 1990s, the total number of immigrants was higher than the peak of the great immigration wave at the turn of the 20th century (Institute for the Future, 1998).

Figure 5. An Immigration Revival
(millions of immigrants)



The nation's racial and ethnic diversity is changing. The number of non-Hispanic Whites is projected to decline from 74 percent of the total population in 1995 to 53 percent by the year 2050 (Figure 6).

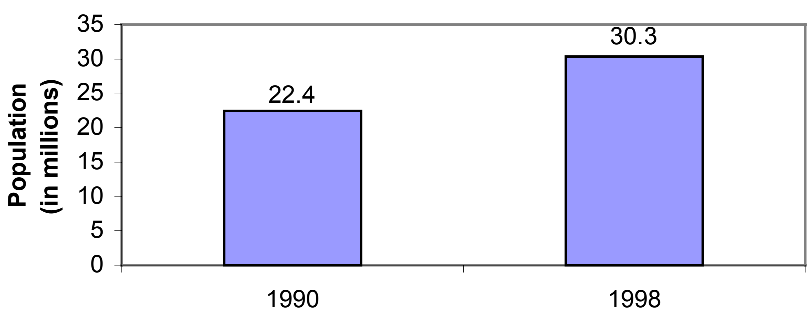
Figure 6. Distribution of Population (percent)



Source: U.S. Bureau of Census

A substantial growth in the population of persons of Hispanic origin is predicted. Nationwide, the Hispanic population increased from 22.4 million in 1990 to 30.3 million in 1998, a gain of 35.2 percent or 7.9 million people (Figure 7). They are likely to be younger than other whites and less educated, live in a metropolitan area, have more children, and experience greater family stability. Two states in Louisiana's southern tourism market heavily gained Hispanic population between 1990 and 1998, Texas with 1.5 million and Florida 669,000 (Sink, 1999).

Figure 7. Hispanic Population Growth



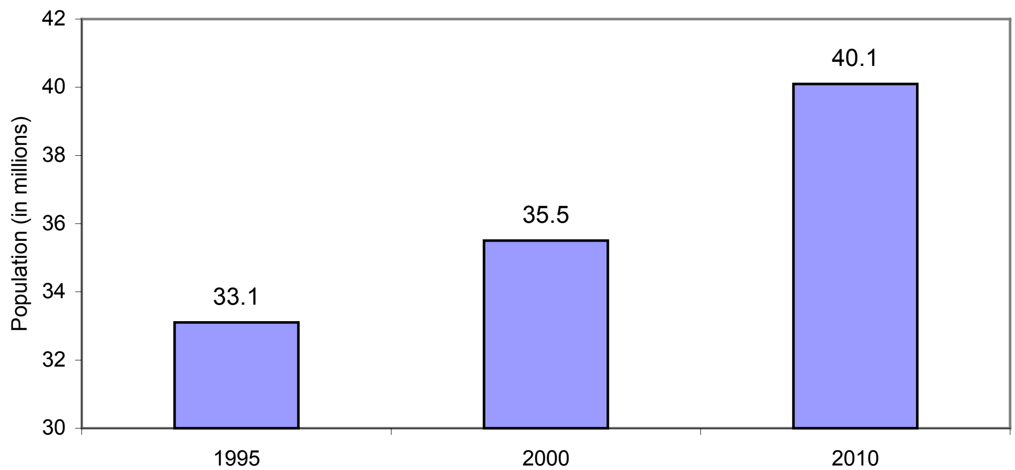
Source: U.S. Bureau of Census

The 2000 census is expected to show that three out of ten U.S. residents will be Hispanic Whites. Before 2005, Hispanics will outnumber African Americans. And in the year 2030, one out of four Americans will be either Hispanic or Asian (Frey, 2000).

There were approximately 33.1 million African-Americans or Blacks in the U.S. population in 1995, comprising the nation's largest ethnic group. Numbers increased to 35.5 million in the year 2000 and are projected to reach 40.1 million by 2010 (Figure 8). In contrast to Hispanics, Blacks remain highly concentrated in the urban north and the south.

In particular, in the 1990s, some Blacks migrated to the revitalized New South. For example, in metropolitan Atlanta, a booming economy, a large Black middle-class population and familiar southern mores attracted middle-class and working-class Blacks from all origins in the 1990s. For similar reasons, Washington D.C., Houston and Dallas-Ft. Worth also are attracting Blacks. Other southern communities, not necessarily in the top 10, like Raleigh-Durham and Charlotte in North Carolina, and Jacksonville and Tampa in Florida, have growing Black populations (Frey, 2000). Louisiana's Black population is estimated to increase by 38 percent from 1.3 million in 1990, to 1.8 million by 2025.

Figure 8. African American Population Growth



Sources: U.S.Bureau of Census; Louisiana Sea Grant College Program

II. Demographic Projections — Each Primary Southern Market State

The primary southern market area includes eight states — Texas, Mississippi, Alabama, Florida, Georgia, Arkansas, Oklahoma, and Louisiana (in-state visitors). The order of the information below is provided by state to emphasize the significance of Louisiana's target market within each individual state (See Figure 2).

Florida and Texas represent a stark contrast to the rest of Louisiana's primary southern market area. Florida has twice the population of Georgia, the fifth largest state of origin for out-of-state visitors. Florida and Texas have substantial Hispanic populations.

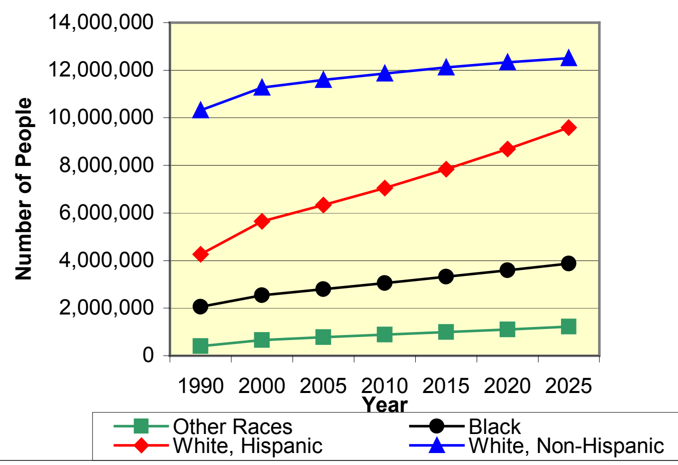
A. Texas

Texas is the largest state in the primary southern market area. The White population, the largest at the turn of the century, will lose its majority status around 2015. However, Texas is the only state where the White population will account for less than 50 percent of the total population. The Hispanic population will grow phenomenally.

Different from the projected trend in most primary southern market states, the 55+ Age Group in Texas will not increase to the largest population group before 2025. About 2015, the number of people in the 55+ Age Group will catch up with the numbers in the 18-34 and 35-54 Age Groups. The <18 Age Group will surpass the 35-54 Age Group in size about 2010 and will remain the largest age group through 2025. Texas is the only state where the <18 Age Group has the largest number of people in it.

Currently, there are 20.1 million Texans, of which 11.3 million are Whites, 5.65 million are White Hispanics, and 2.5 million are Black (Figure 9). About 28.7 percent of the total population is 35-54 years old.

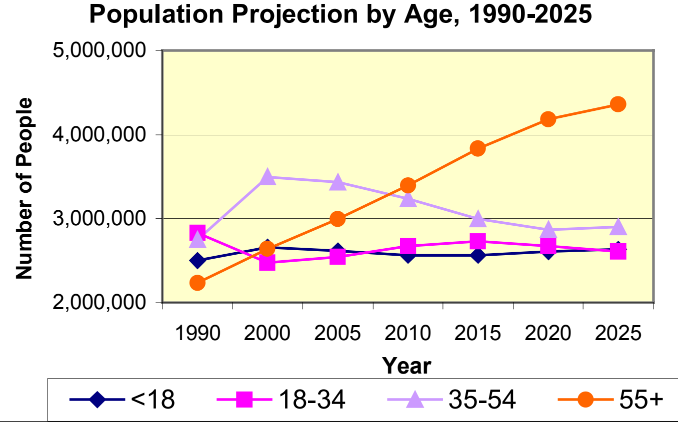
Figure 9. Texas Population Projection by Race, 1990-2025



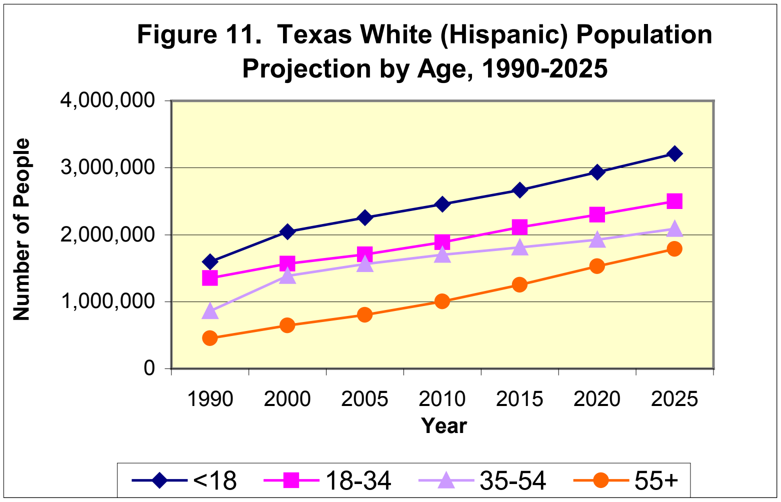
Sources: U.S. Bureau of Census; Louisiana Sea Grant College Program

Like most other southern states, Texas' White, non-Hispanic population, not affected by immigration trends, will have slow growth as the population increases in the 55+ Age Group. The size of the 35-54 Age Group will peak in 2000 and start a decline until 2020. The number of people in the <18 and 18-34 Age Groups will remain constant and roughly equal (Figure 10).

Figure 10. Texas White (Non-Hispanic) Population Projection by Age, 1990-2025

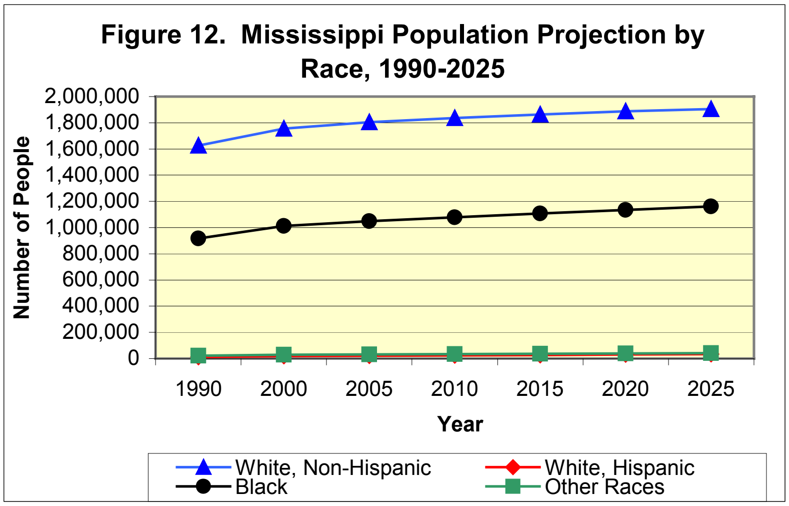


The Hispanic population of Texas is the fastest growing segment of the population. The Hispanic population should grow proportionally by age through 2025 (Figure 11). This ethnic group will grow about 10 percent every five years. Texas has and will continue to have the largest Hispanic population in the primary southern market area.



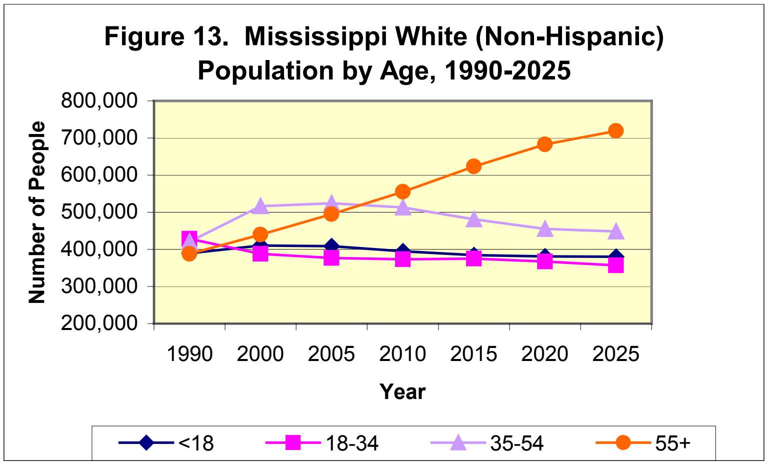
B. Mississippi

This year, Mississippi's population is estimated to be 2.8 million. Of that number, 1.75 million are White, one million are Black, and the remainder is Hispanic and Other Races (Figure 12).

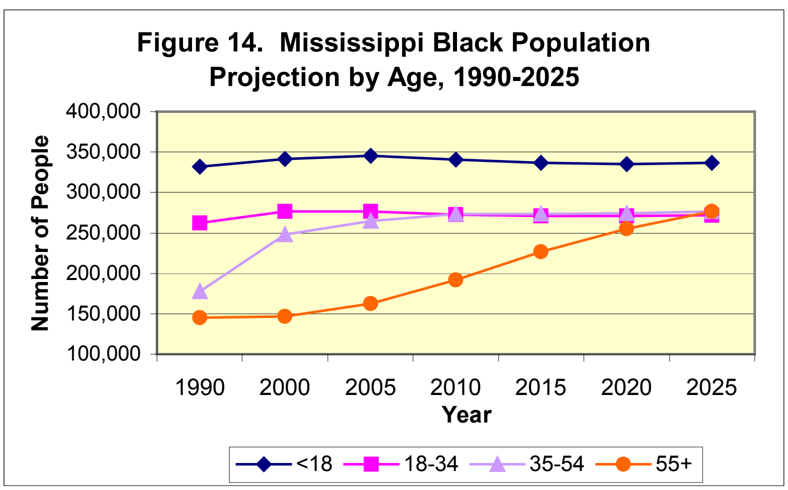


Just over 62 percent of all Mississippians are in the White population. By 2025, the White percentage will slip to 60.5 percent. Similar to the population groups in Louisiana, Mississippi's <18, 18-34, and 35-54 Age Groups will decrease over the next

25 years. However, the number of people in the booming 55+ Age Group will more than replace those losses (Figure 13).

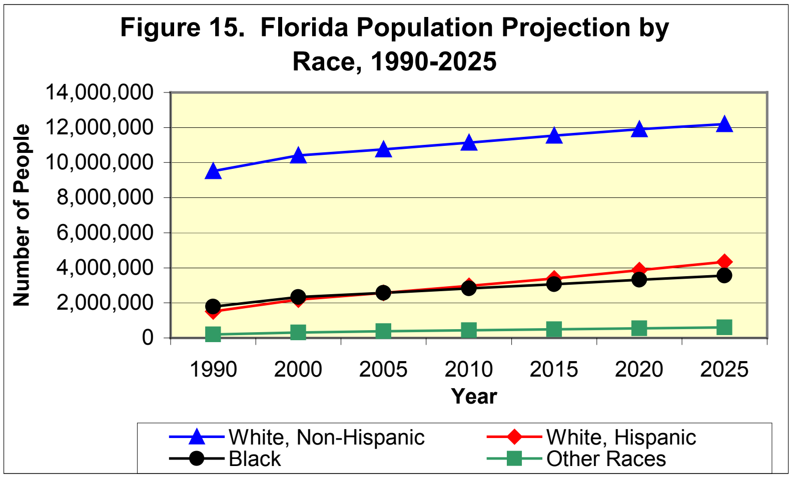


The Black population in Mississippi will increase, bolstered by the people in the 55+ Age Group (Figure 14). The number of people in the three other age groups will decrease slightly, but remain fairly constant through 2025. Mississippi's racial forecast most resembles Arkansas', in that the Blacks in the 55+ Age Group will help compensate for decreases in other Black age categories.

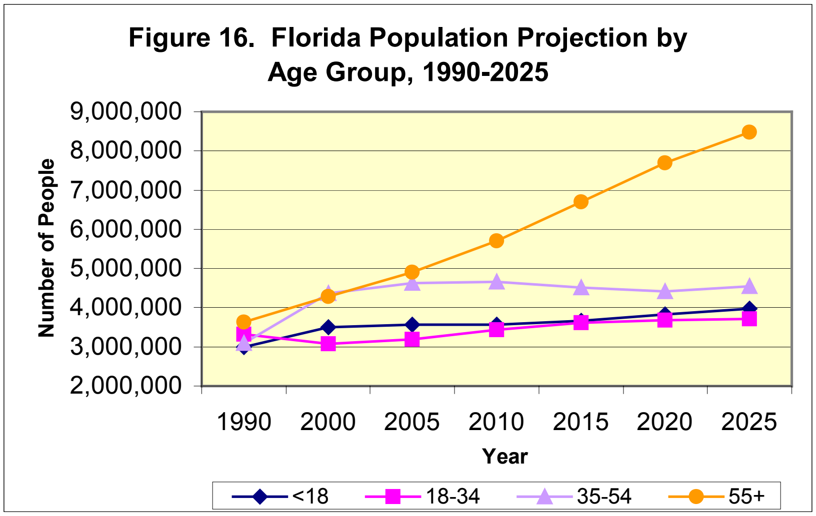


C. Florida

Florida and Texas represent a stark contrast to the rest of Louisiana's primary southern market area. Florida has twice the population of Georgia, the fifth largest state of origin for out-of-state visitors. Florida and Texas have substantial Hispanic populations. In Texas, Hispanics are the largest minority group, and in 2010, they will also claim such a role in Florida (Figure 15).

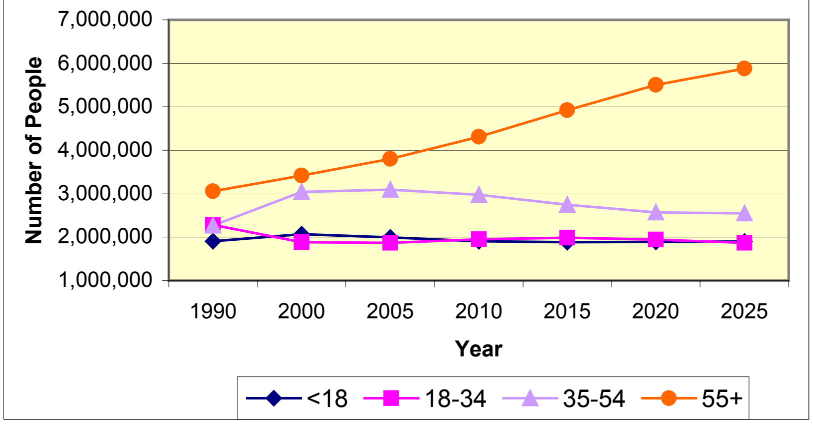


For many years, Florida has been considered a retirement destination. Currently, the 55+ Age Group is the second largest age group, but by 2005, they will outpace all others. Of the eight states in this study, Florida's 55+ Age Group represents 32 percent of all people 55 and older. Florida has the largest 55+ Age Group of any other target state and that will remain the case through 2025 (Figure 16).



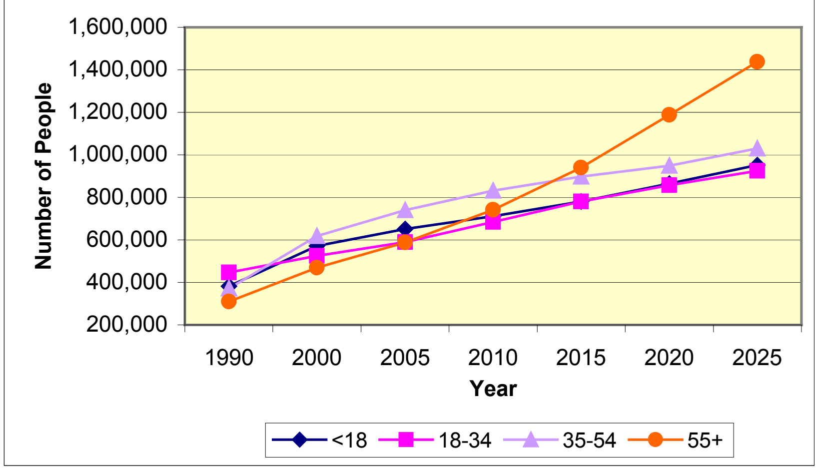
According to race, Whites are the largest group and will remain so through 2025. The White 55+ Age Group will continue to age. In 2000, the 55+ Age Group represents almost 33 percent of the White population. By 2025, more than 42 percent of White Floridians will be above 55 years old. This information appears in Figure 17 below.

Figure 17. Florida White (Non-Hispanic) Population Projection by Age, 1990-2025



The Hispanic population is the major growth point in Florida's population. Although the Black population is currently larger, the Hispanic population will grow at a faster pace. Hispanics represent approximately 15 percent of the population, but by 2025, they will comprise 21 percent. Like other Whites, Hispanics are also getting older. In all other states, the Hispanic 55+ Age Group will reach almost equal proportion to other age groups, but in Florida, the Hispanic seniors are going to far outpace the other age groups. By 2025, there will be 400,000 more people in the 55+ Age Group than in the nearest one, the 35-54 Age Group (Figure 18).

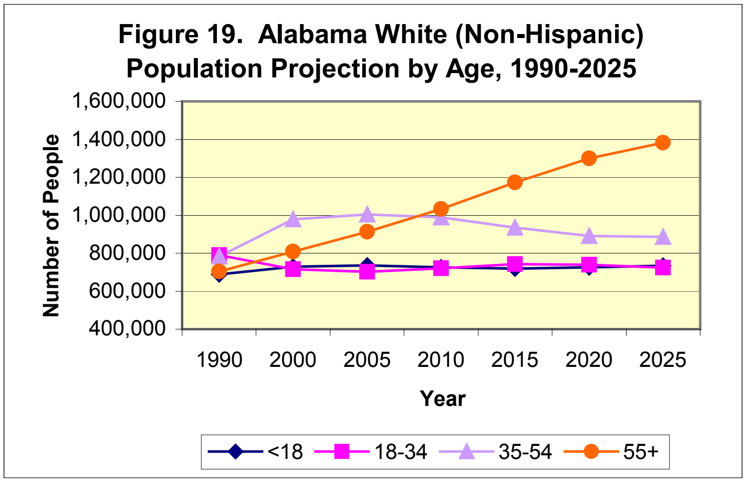
Figure 18. Florida White (Hispanic) Population Projection by Age, 1990-2025

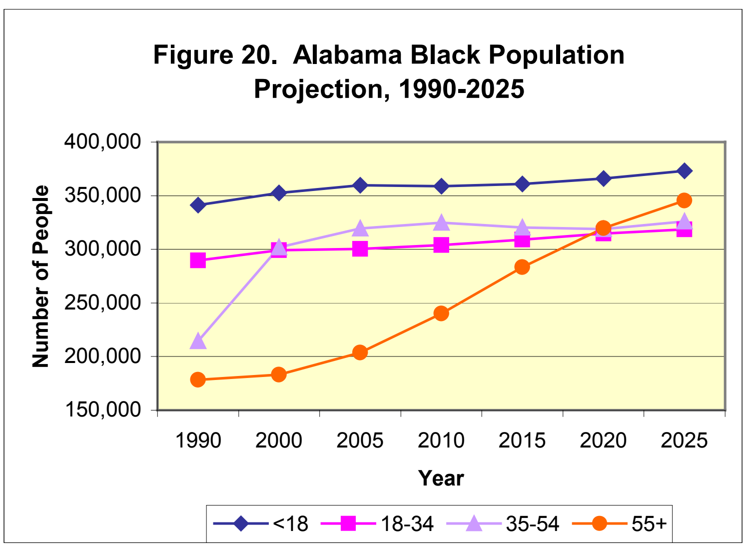


D. Alabama

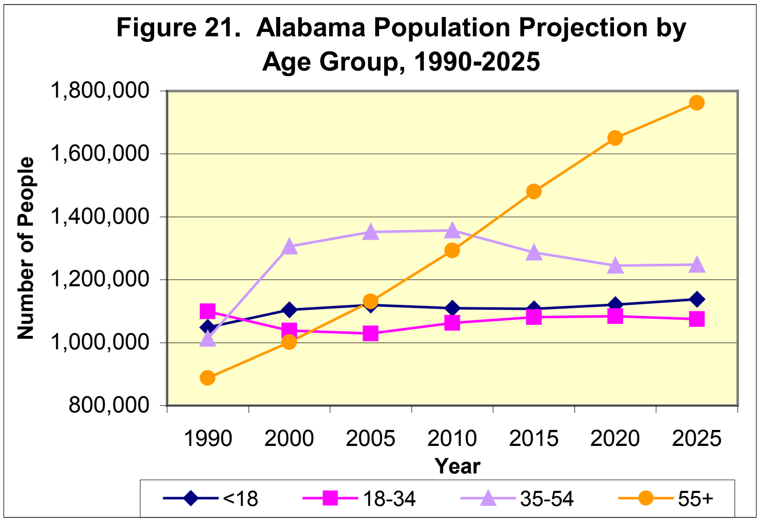
Alabama's current population of 4.5 million is almost 73 percent White, 25.5 percent Black, and about one percent Hispanic or other race. Although these proportions are not projected to change very much, the total population will increase to 4.8 million in 2010, and 5.1 million by 2020.

The White population will remain the predominant group through 2025. Blacks, the largest minority group, will remain in that position through 2025. Although the Hispanic population will grow significantly, the Hispanic portion of the total state population will remain extremely small. Figures 19 and 20 show the population projections by age of the White and Black residents of Alabama.



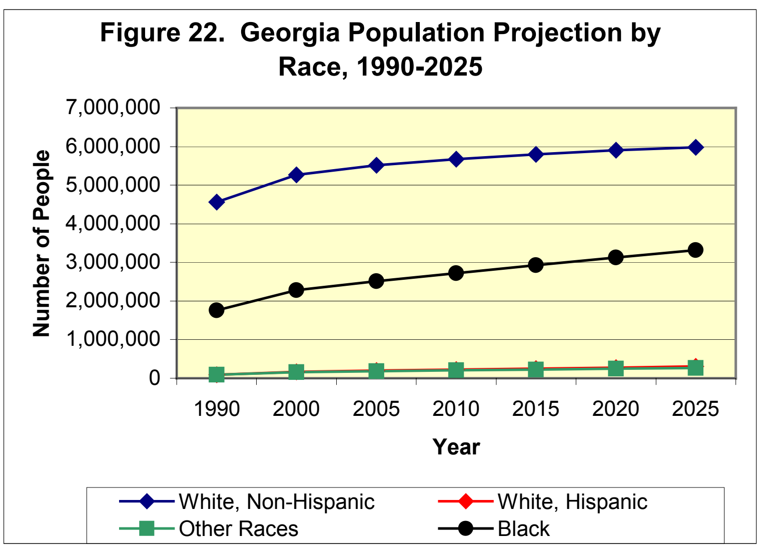


These overall numbers do not give a true picture of projected changes in Alabama's population. As in most of the southern states, the 55+ Age Group will increase significantly over the next 25 years (Figure 21). In just ten years, the number of people in this age group will increase 22.5 percent, and by 2020, increase another 21.6 percent. The number of people in the 35-54 Age Group will not decrease as boomers move into the 55+ Age Group. In fact, only the number of Whites in the 35-54 Age Group will decrease.



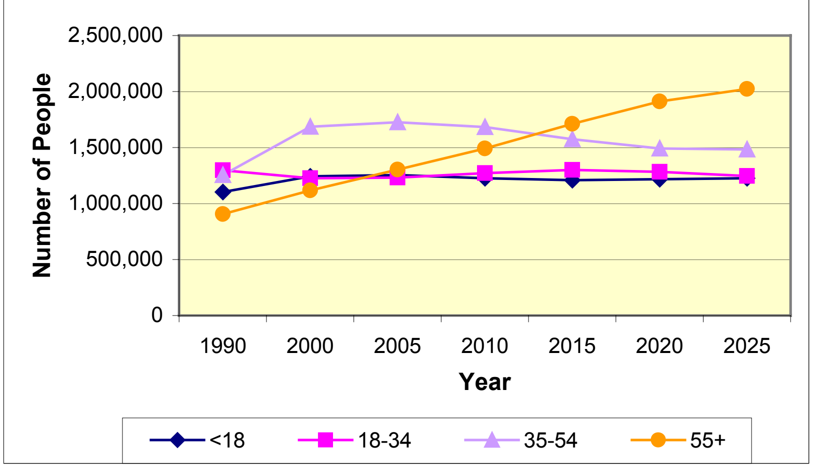
E. Georgia

Georgia is the third largest state in Louisiana's southern market area. In 2000, the population was estimated to be 7.9 million, and in 2010, that number will rise to 8.8 million. Georgia reflects the demographics of the five smaller states (Oklahoma, Arkansas, Alabama, Mississippi and Louisiana). Blacks, the largest minority group, will increase by an additional million in 25 years (Figure 22).



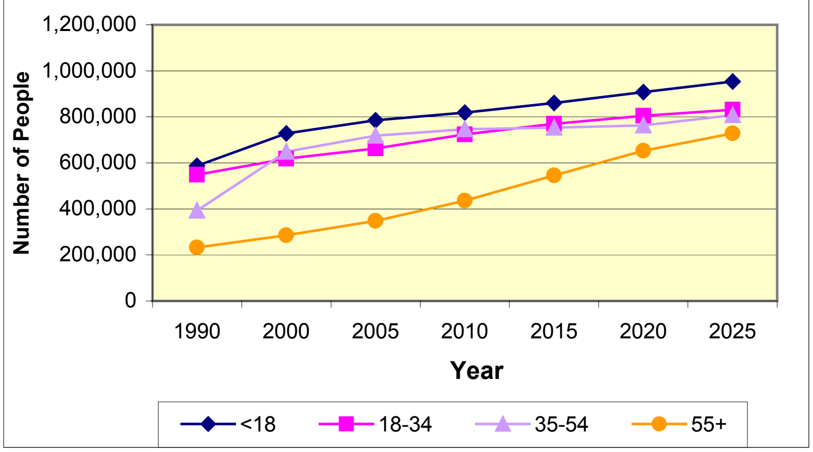
The White 55+ Age Group is the fastest growing population group. The number of people in the 35-54 Age Group will peak about 2005, begin to decline in 2020 and then level out. The <18 and 18-34 Age Groups are similar in size and growth rate (Figure 23).

Figure 23. Georgia White (Non-Hispanic) Population Projection by Age, 1990-2025



People in the Black population group will also age and they will swell the size of the 55+ Group by about 2025. The <18 Age Group is the largest and will remain so through 2025 (Figure 24).

Figure 24. Georgia Black Population Projection by Age, 1990-2025



F. Louisiana

Louisiana is very similar to Georgia. Blacks form the largest minority group in the state and this group's growth is projected to be a little faster than the white racial group (Figure 25). Currently, 33 percent of the total population is Black and it will increase to 36 percent by 2025. The number of people in the Hispanic and Others Races groups will barely reach 250,000 by 2025.

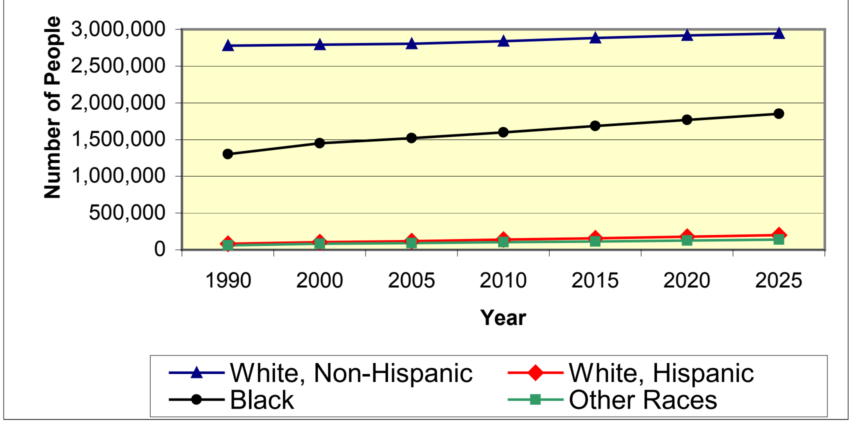


Figure 25. Louisiana Population Projection by Race, 1990-2025

Louisiana's White 55+ population, similar to this group in other southern states, will grow substantially over the next 25 years. The size of the 35-54 Age Group will decrease from 1.25 million in 2000 to 1.15 million in 2020. The number of people in other age groups will also decrease, but none as drastic as the 35-54 Age Group (Figure 26).

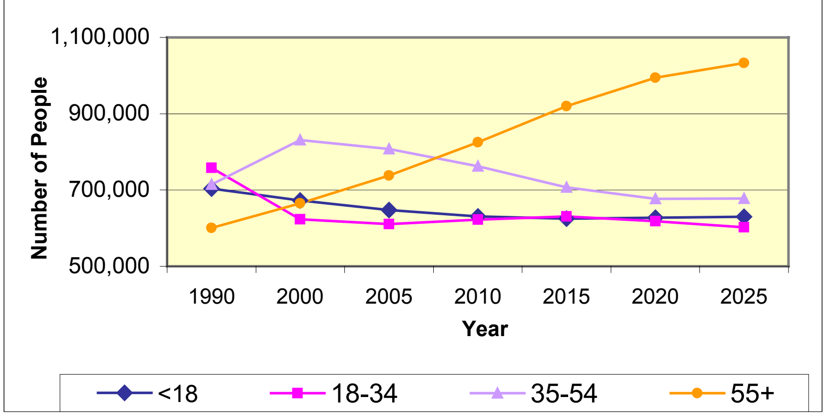
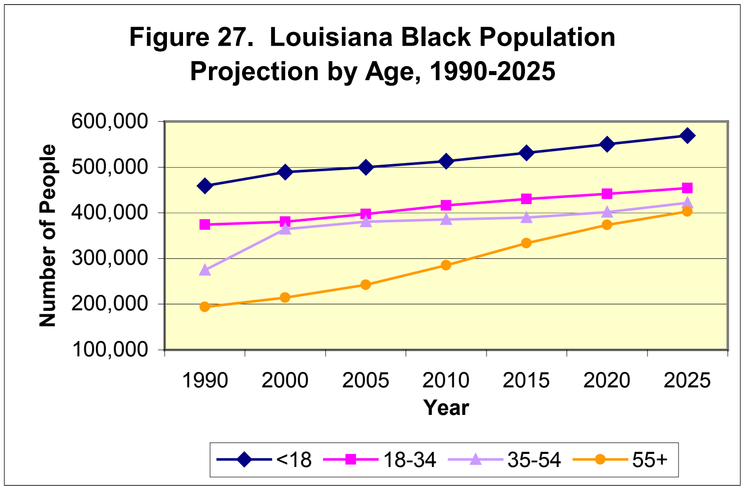


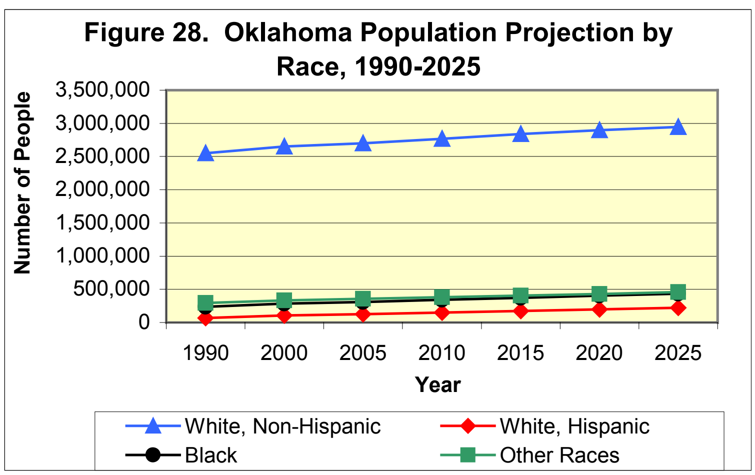
Figure 26. Louisiana White (Non-Hispanic) Population Projection by Age, 1990-2025

Louisiana's Black population will increase across all age groups for the next 25 years. The <18 Age Group, significantly larger than all other age groups, will consistently maintain about 100,000 more people the next highest population group (Figure 27).



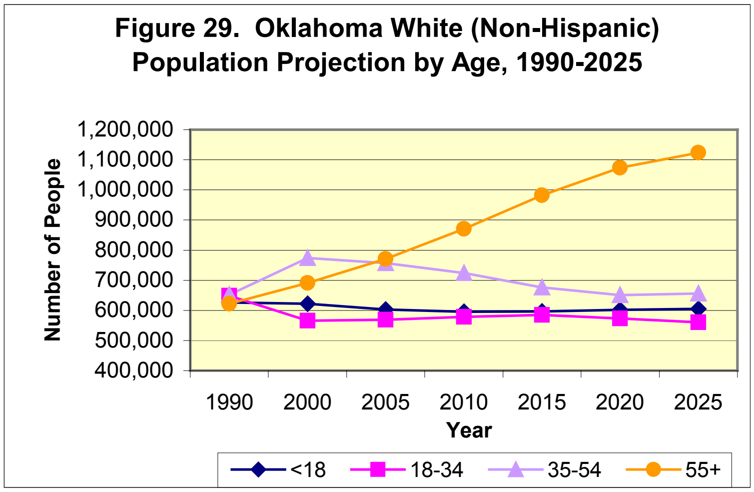
G. Oklahoma

In Oklahoma, the White population will continue to predominate through 2025 (Figure 28). This year, there are 3.4 million Oklahomans, of which 2.7 million are white, and the remaining 700,000 are in the Black, Hispanic, or Other Races groups. About 2010, the population is projected to reach 3.6 million, increasing to 4.06 million in 2025.

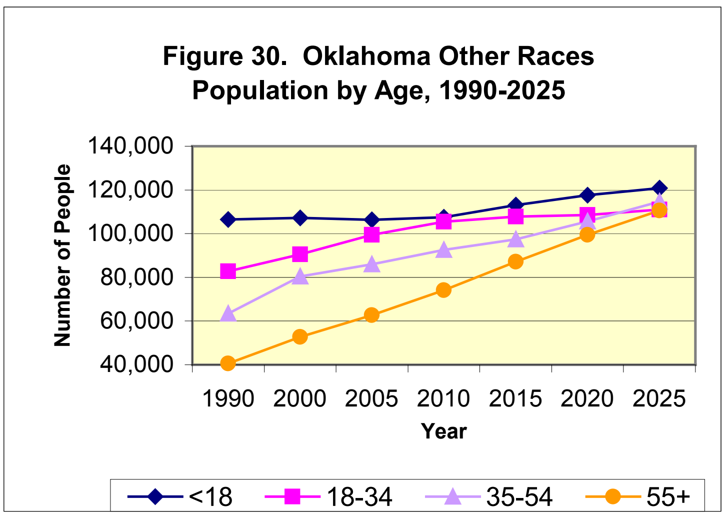


Oklahoma's White Age Group demographics are very similar to other southern states. The <18 and 18-34 Age Groups will remain constant and generally about the same size. The number of 35-54 year olds will decrease as the Baby Boomers age and begin to be classified in the 55+ Age Group, which will grow rapidly (Figure 29). By 2010, 31.4 percent of all Whites in Oklahoma will be in the 55+ Age Group. By 2025, the percentage will increase to 38 percent.

About 79 percent of Oklahoma's total population are White. In 2010, the white proportion will decrease to 76 percent and then by 2020, it will drop to 74 percent.



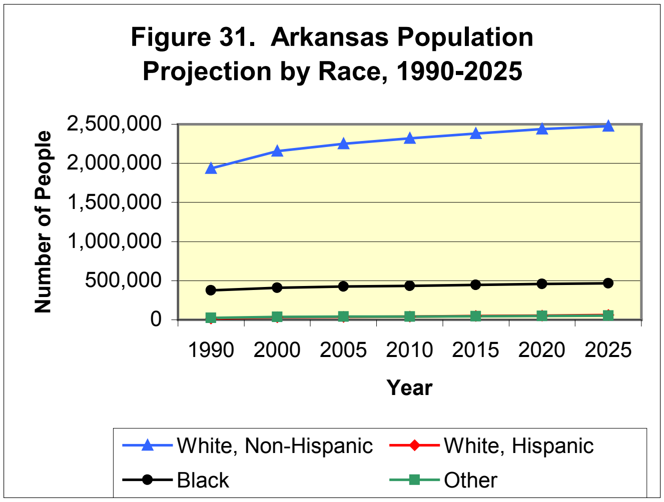
Oklahoma's "Other Races" Group (Figure 30) is significant. Currently, Oklahoma is second to Texas in the number of people in this race group. Almost 10 percent of the total population is Native American, Asian, or other — the largest proportion of Other Races in any of the southern market states. In 2005, the number of people in the Other Races Group in Florida will surpass the number in Oklahoma, but the proportion of the total population in Oklahoma will remain the largest through 2025 (11.2 percent).

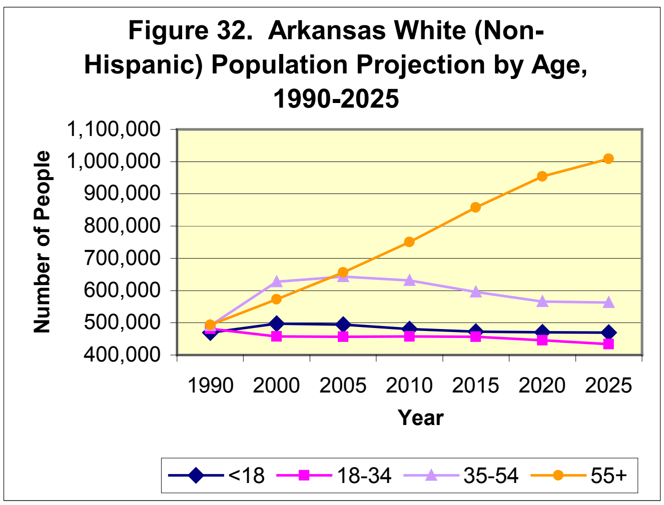


H. Arkansas

Arkansas' population is projected to grow slowly, like Alabama's. The current population is around 2.6 million, and by 2010 it will be only about 2.8 million. The age distribution will change, even though the overall population size will change only slightly by 2025.

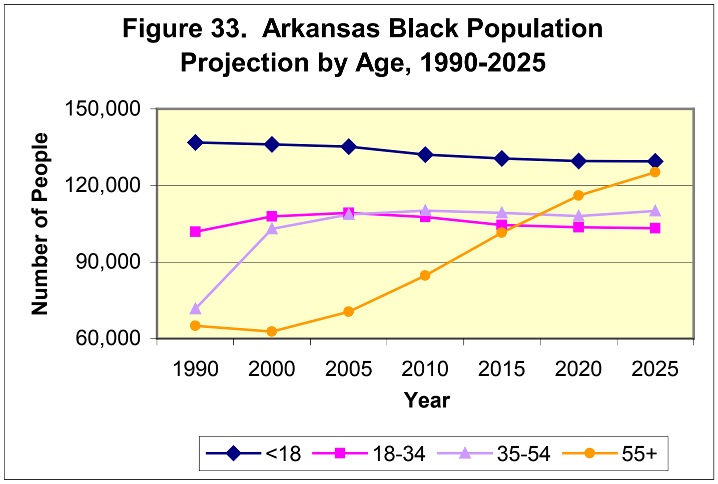
The number of Whites will increase about 22 percent by 2010 (Figure 31). The 55+ Age Group, with more than 572,000 people at the turn of the century, will grow to just over a million by 2025. In 2010, the White 55+ Age Group will be 31 percent larger than all other racial groups combined. Other age groups within the White population will decrease slightly as the Baby Boomers age (Figure 32).





The Black population will also age. By 2020, the number of Blacks in the 55+ Age Group will outnumber those in the 18-34 and 35-54 Age Groups. However, the number of people in the Black 55+ Age Group will finally be approximately in equal proportion with other age groups of the Black population.

Arkansas is one of two states that will have a decrease in the number of people in its <18 Age Group. Even so, the number of Blacks in the <18 Age Group will remain higher than the number in all other age groups through 2025 (Figure 33). This is similar to Texas, Mississippi, Alabama, and Georgia.



III. Implications for the Louisiana Tourism Industry

What are the implications of these national and regional population trends for Louisiana tourism?

A. Summary of Demographics

Distinct demographic trends can be observed in the eight primary market states. These demographic changes are likely to shape tourism's future and affect the demand for certain types of attractions and activities in Louisiana and elsewhere. All of these states are projected to have significant increases in all age groups—especially in the 55+ Age Group—as well as changes in the ethnic composition of these states — especially in Texas and Florida (Tables 1 and 2). In the ten-years between 2000 and 2010, the total population in the seven states plus Louisiana will increase from approximately 61 million to 68 million. The proportion of people over age 55 will increase from 22 percent of the total population to 26 percent. In fact, the 55+ age group will increase by over a third in the next decade (Table 1).

Table 1.

Total Population Growth, by Age Group, Southern Market, 2000-2010

Age Group	2000	2010	Change
<18	15,835,004	16,506,626	4.24%
18-34	14,249,197	15,370,531	7.87%
35-54	17,459,608	18,268,356	4.63%
55+	13,370,827	17,832,245	33.37%

Sources: U.S. Bureau of Census; Louisiana Sea Grant College Program

Nearly 40 million white (non-Hispanic) persons live in the eight states that comprise Louisiana's primary tourism markets (Table 2 and Figure 35). Whereas this population is projected to increase by six percent to a total of two million in the next decade, two ethnic groups within this population will increase about four times that percentage. White Hispanics will increase by over 28 percent or 2.4 million, and African Americans by nearly two million (16 percent).

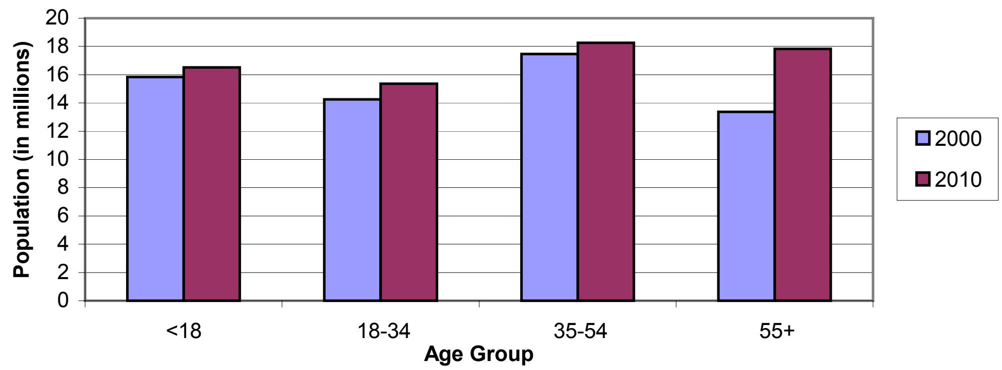
Table 2.

Total Population Growth, by Ethnic Group, Southern Market, 2000-2010

Ethnic Group	2000	2010	Change
White, Non Hispanic	39,532,281	41,915,308	6.03%
White, Hispanic	8,286,644	10,635,909	28.35%
African American	11,440,890	13,283,839	16.11%
Other	1,662,377	2,142,702	28.89%

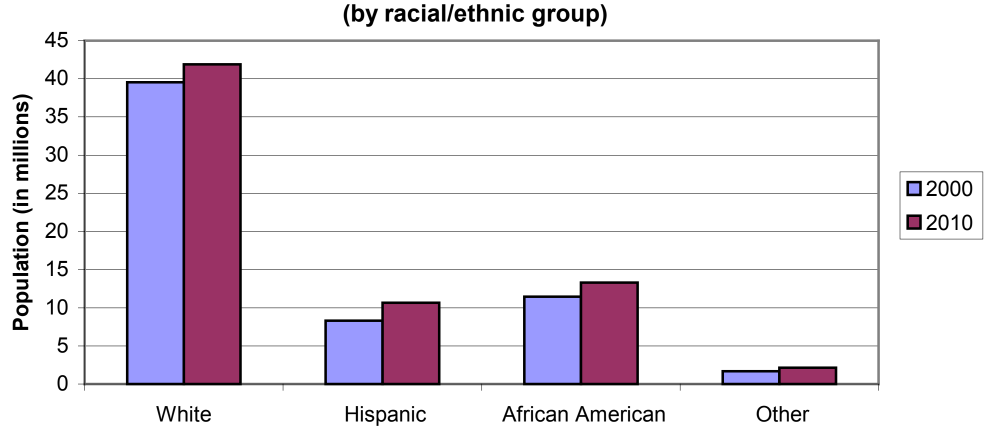
Sources: U.S. Bureau of Census; Louisiana Sea Grant College Program

Figure 34. Southern Market Population Growth (by age group)



Sources: U.S. Bureau of Census; Louisiana Sea Grant

Figure 35. Southern Market Population Growth (by racial/ethnic group)



Sources: U.S. Bureau of Census; Louisiana Sea Grant

In all population segments, the number of better-educated, information-seeking new consumers with sizable disposable incomes is increasing. Twenty years ago, consumers who had at least two of the three characteristics of new consumers (household incomes over $50,000 in constant 1995 dollars, at least some college education, and comfort with new information technologies) made up about 25 percent of all U.S. households. Today they account for 45 percent, and are projected to reach 52 percent by 2005 (Institute for the Future, 1997).

New consumers value information. They have access to more information and are sophisticated in their use of it. They:

- *Prefer Choice*. Are more likely to be interested in examining a wide range of alternatives before making purchasing decisions.
- *Seek Control*. Use education and information to make decisions. They are more likely to interact intensively in purchasing decisions that are important to them.
- *Skeptical*. They are less likely to be swayed by the authority of others, whether it is a person in a position of authority, a company, or a brand.
- *Demanding*. New consumers demand more information before making a purchase, and search for that information in a variety of places. They are more likely to express their frustration about marketplace experiences.

Thus, Louisiana's tourism target market for the first half of the 21st century can include notable numbers of people over 55 of Hispanic or Black ethnicity who are better educated, more informed, with some disposable income and specific demands. What do these groups within the primary southern tourism market do when traveling?

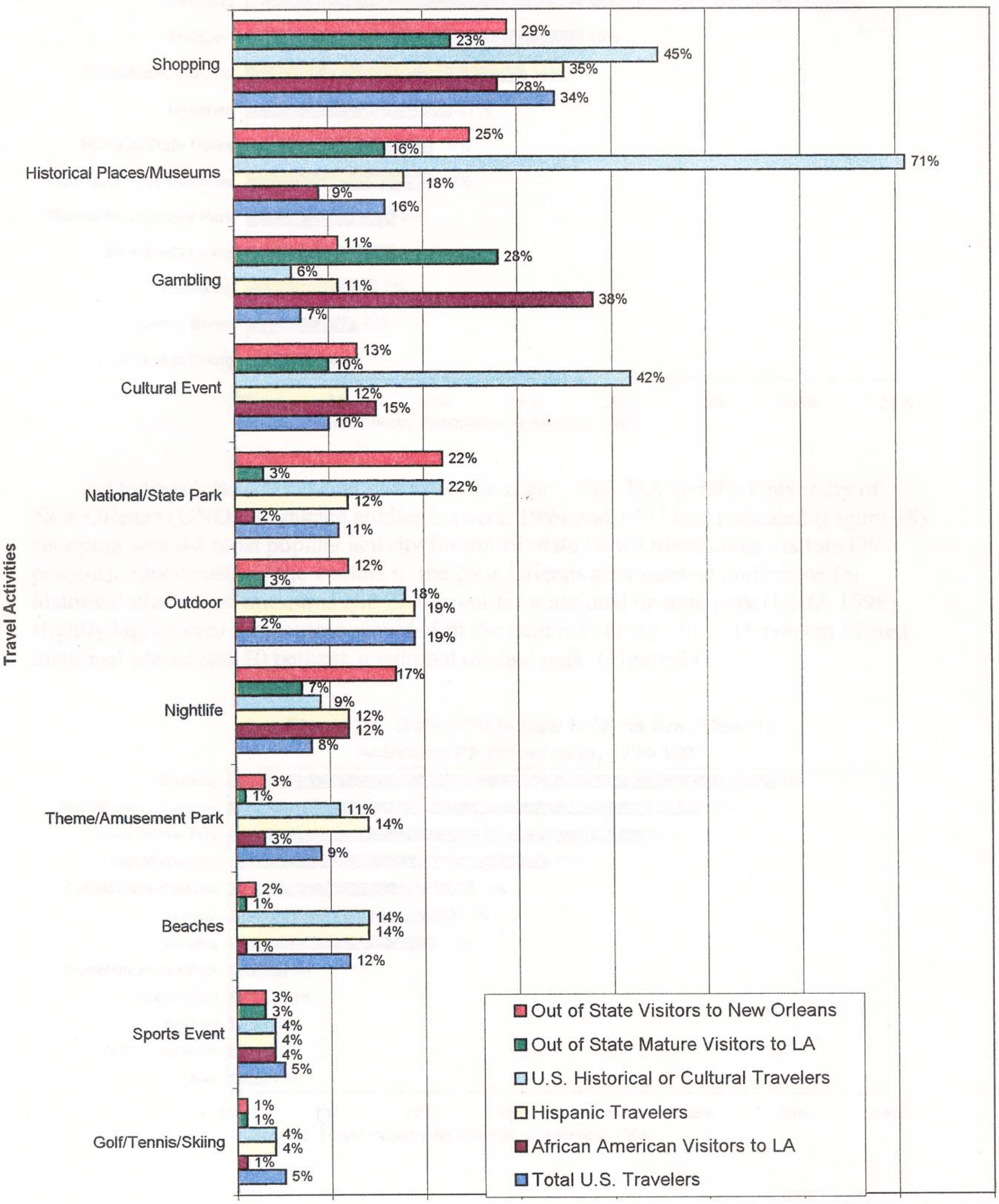
B. Demographics and Tourism Activities

History and the perspectives provided by several experts concerning travel and leisure desires suggest that Louisiana might be in a favorable position to capitalize on these demographic trends because the state has attractions to satisfy their travel activity preferences. Figure 36 provides an overview of the major types of activities preferred by visitors to Louisiana and elsewhere in the U.S.

Among all U.S. travelers as recently as 1997, shopping was the number one activity while traveling in the U.S. (Figure 36). Next in popularity was outdoor recreation. Visiting historical places and museums was the third most popular trip activity in this country. Attending cultural events and festivals was popular with the same percentage of travelers as visiting state or national parks and only one percentage less popular than going to the beach (Cook, 1998).

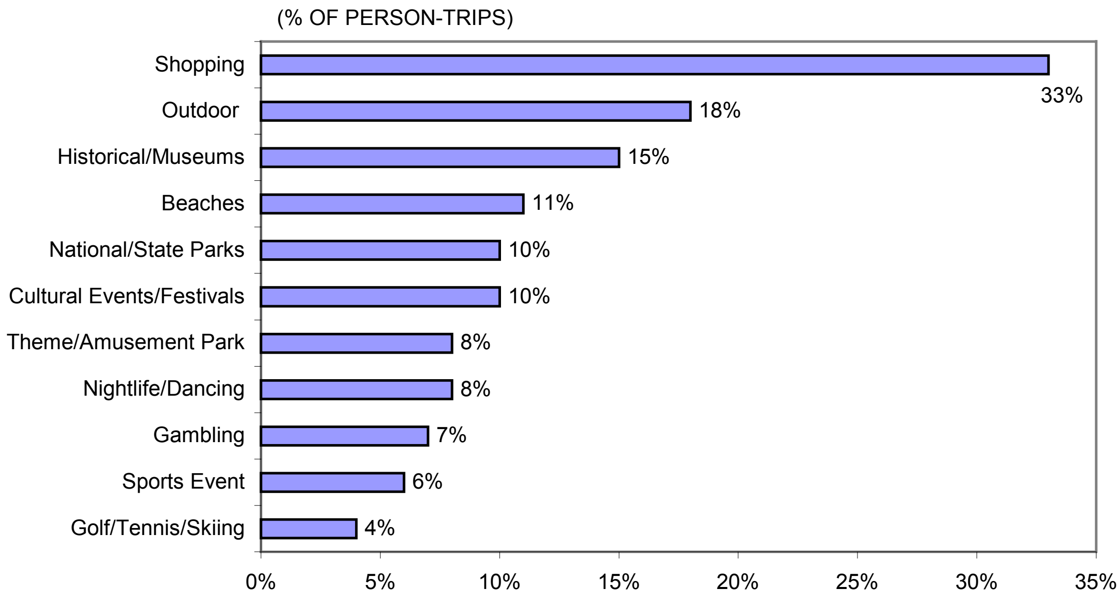
Figure 36. SUMMARY

U.S., Louisiana, and New Orleans Traveler Activities



Source: Travel Industry Association of America; Louisiana Sea Grant College Program, 2000.

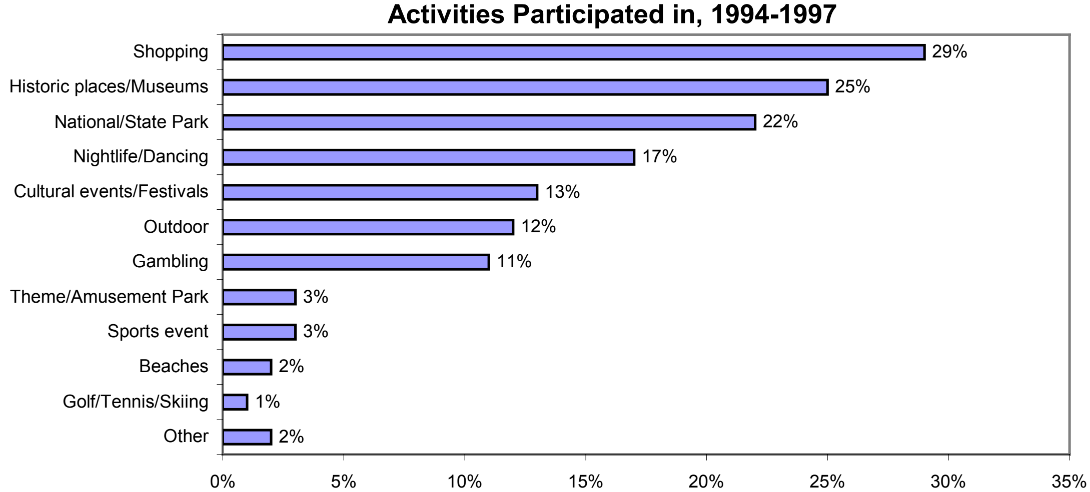
Figure 37. U.S. Resident Travelers' Activities, 1997



Source: Travel Industry Association of America, 1998

Do travelers to Louisiana like to do the same? The TIA and the University of New Orleans (UNO) conducted studies between 1994 and 1997 that indicated (Figure 38) shopping was the most popular activity for out-of-state New Orleans area visitors (29 percent). One-fourth of the visitors to the New Orleans area showed preference for historical places and museums and 22 percent for a national or state park (UNO, 1998), slightly higher than preferences recorded in the national survey. In it, 15 percent visited historical places and 10 percent, a national or state park (Figure 37).

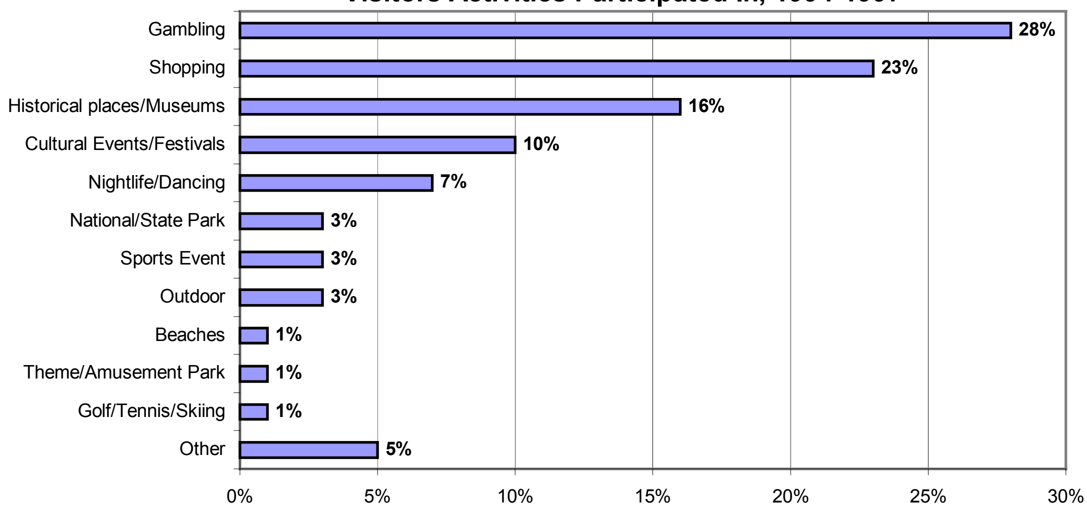
Figure 38. Out-of-State New Orleans Area Visitors Activities Participated in, 1994-1997



Source: Travel Industry Association of America, 1998

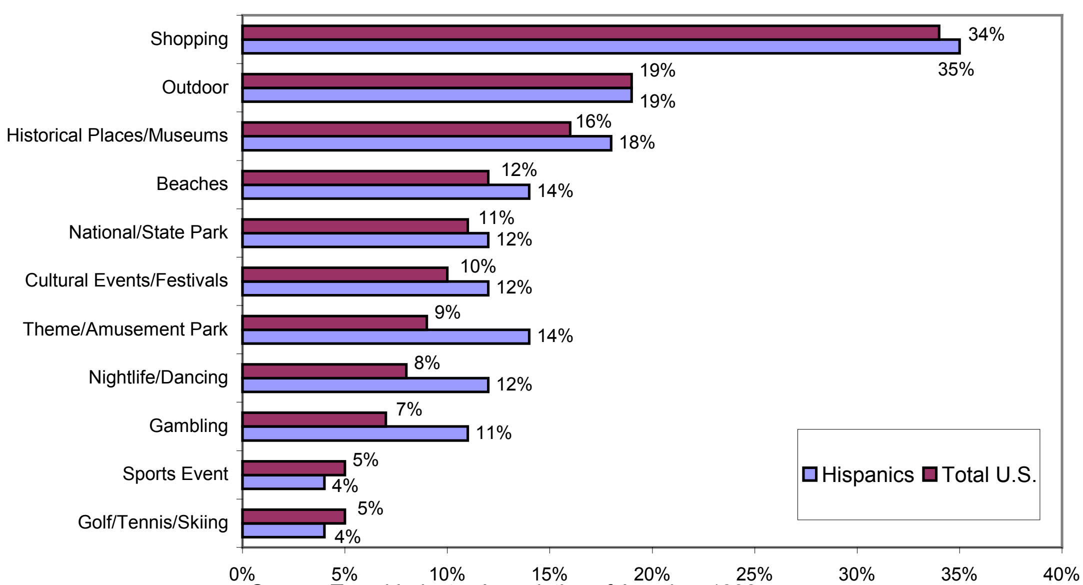
Preferences vary among specific demographic groups. For example, during the 1994-97 study period, the preferred activity of mature travelers to Louisiana was gambling (28 percent). Twenty-three percent engaged in shopping and 16 percent visited historical places and museums. Ten percent participated in cultural events and festivals (UNO, 1998). These and other major preferences are described in Figure 39 below.

Figure 39. Out-of-State Mature Adult Louisiana Visitors Activities Participated In, 1994-1997



Source: Travel Industry Association of America, 1998

Figure 40. Hispanic Traveler Activities



Source: Travel Industry Association of America, 1996

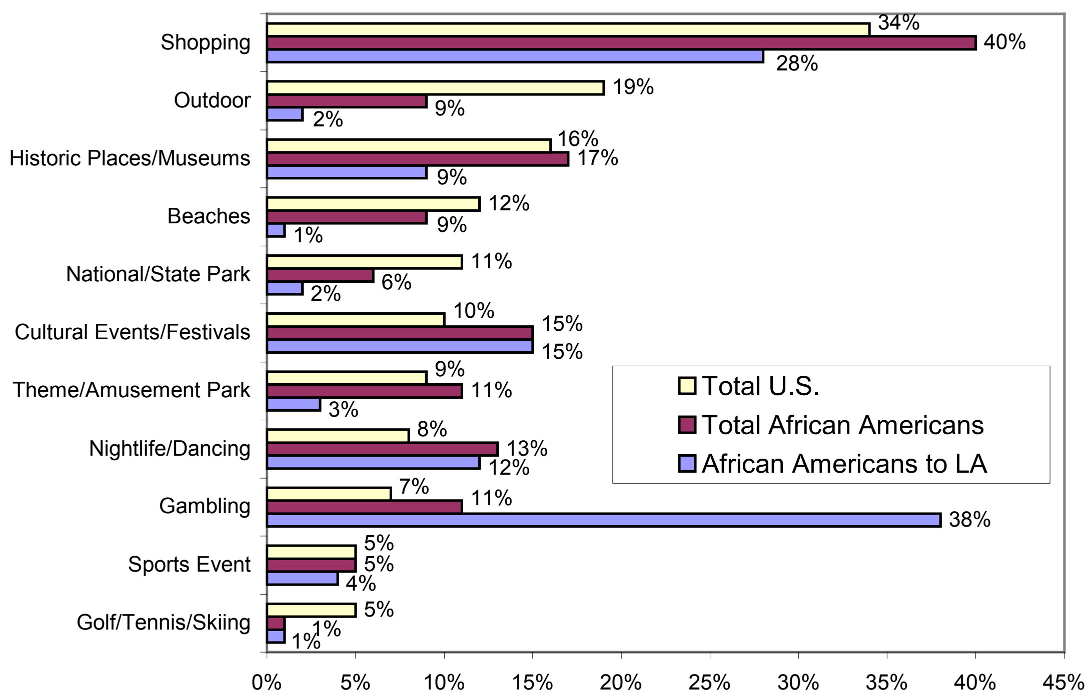
In a 1996 study, *The Minority Traveler*, TIA concluded that like other travelers, Hispanics favored shopping as a travel pastime (35 percent). About two in ten pursued outdoor recreation (19 percent) or visited historical places and museums (18 percent).

One in ten went to the beach (14 percent), or visited theme-amusement parks (14 percent), attended cultural events (12 percent), visited a national park (12 percent), enjoyed the nightlife (12 percent), or gambled (11 percent). Fewer attended a sports event (4 percent) or participated in golf, tennis or skiing (4 percent). These preferences are summarized in Figure 40.

Figure 41 compares the favorite activities of all U.S. resident travelers with those of all African-American travelers and the African-Americans that visit Louisiana. This ethnic group also ranks shopping as their favorite activity (40 percent). About half as many visit historic places or museums (17 percent). Attending cultural events or festivals is the third most popular activity on African-American travelers' agendas.
In contrast to some other groups, African-American travelers to Louisiana place gambling (38 percent) at the top of their "to do" lists, and almost three in ten participated in shopping (28 percent).

According to TIA, African-Americans are more likely to travel for business purposes, especially for conventions and seminars. This group is also more likely than other groups to add a small vacation to their business trips.

Figure 41. African-American Traveler Activities, U.S.and Louisiana



Source: Travel Industry Association of America; Louisiana Sea Grant College Program, 2000

A significant number of African-Americans already reside in the South and the demographic projections suggest this population segment is increasing. Since people tend to travel to areas close to home, African-Americans are more likely than their fellow travelers to tour the Southern region, specifically in the states of Texas (10 percent), Georgia (10 percent), North Carolina (9 %), Virginia (8 %), Tennessee (6 %), Louisiana

(6 %), South Carolina (5 %), Mississippi (5 %), Maryland (4 %), Alabama (4 %), and Washington D.C. (3 %) (TIA, 1996).

Although these population groups are not identical in their interests, they share some major preferences such as shopping, historical places, gambling and outdoor activities. Resources for all of these preferences are already established in Louisiana, providing a base for continued tourism development.

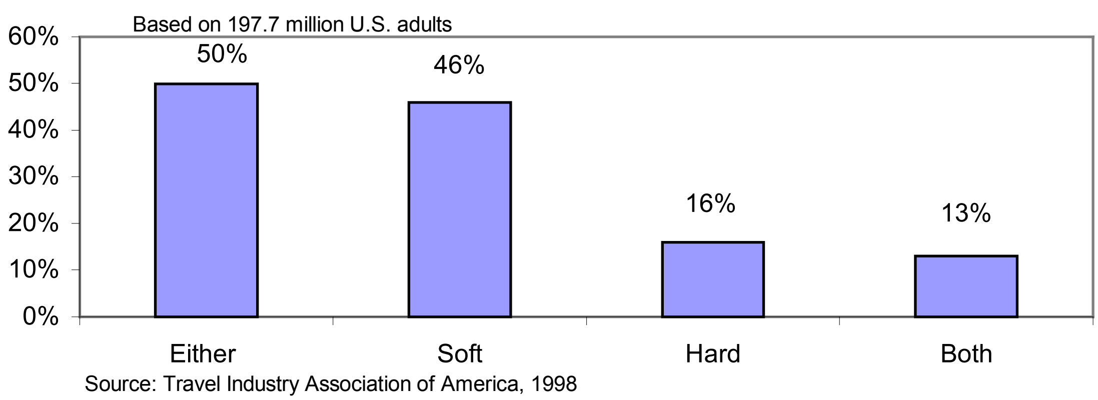
C. Key Niche Markets

Under these major activity categories, travel may include attending a specific event or may respond to a growing interest of a specific population segment. These preferences create niche markets. These are developing rapidly and gaining popularity largely because of demographic shifts and stronger specific preferences of travelers. Examples of niche travel might be soft adventure, attendance at smaller, organized sporting events, or romantic travel.

TIA reports that 98 million people, about half of the U.S. adult populations have engaged in hard or soft adventure activities while traveling in the last five years. Hard adventure refers to rugged activities such as mountain climbing, white water rafting, or backpacking. Soft adventure activities include camping, hiking, biking, and bird/animal watching.

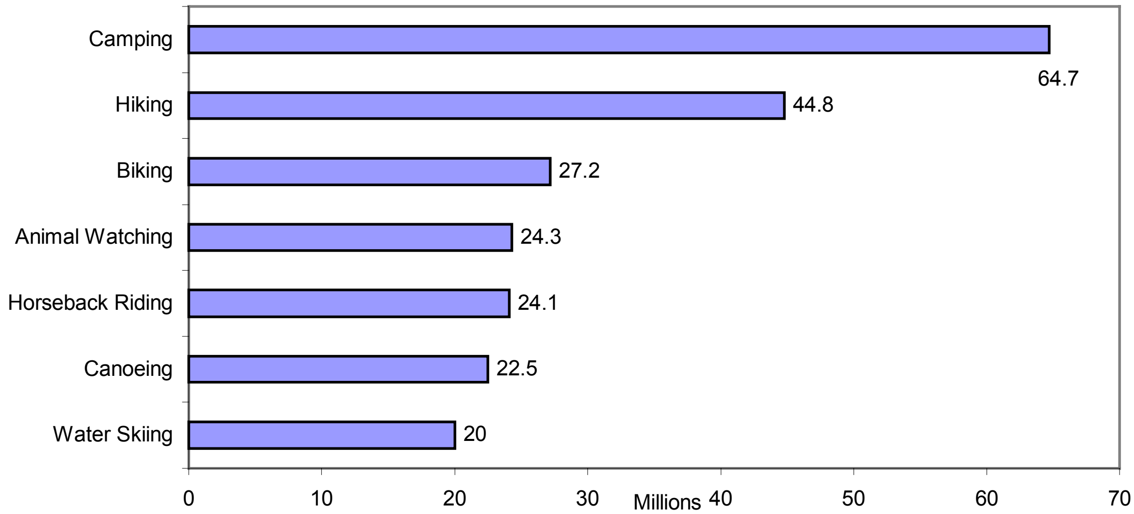
Figure 42 shows that 46 percent of adults or about 92 million are soft adventure travelers, 16 percent of adults (about 31 million) are hard adventure travelers and 13 percent of adults do both (Cook, 1998).

Figure 42. One-Half of Americans Are AdventureTravelers



Camping, the most popular soft adventure activity (Figure 43), is only one of many possibilities already popular with several population groups. Sixty-four percent of Generation X'ers have taken a soft adventure trip in the last five years, 56 percent of baby boomers, and it is very popular among men in several age groups. (Cook, 1998).

Figure 43. Camping and Hiking Lead as Soft Adventure Activities

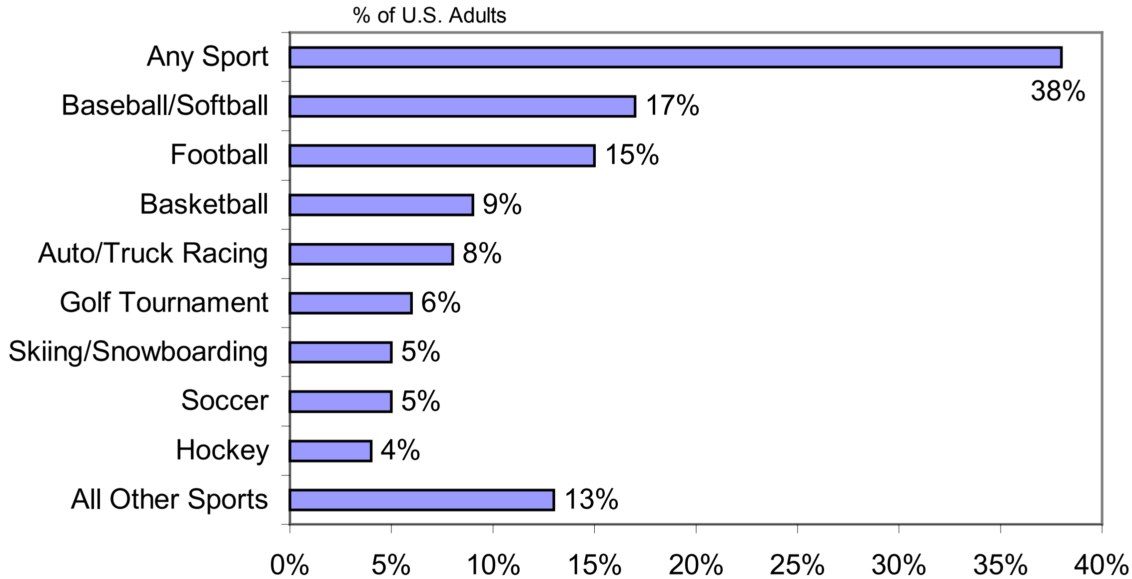


Source: Travel Industry Association of America, 1998

Louisiana has only limited resources for hard adventure activities, but marketing may target ocean, swamp, and marsh kayaking, canoeing, offshore diving, mountain biking in north Louisiana and the Florida parishes, and backpacking in the Kisatchie National Forest and Tunica Hills. Although nationally this market includes only about 16 percent of the population, this might be considered a niche market. Hard adventure travelers are likely to be male, young, and have higher incomes. They spend about 40 percent more per trip than soft adventure travelers and are significantly more likely to travel with friends instead of with their families (Cook, 1998). Since some soft adventure resources are already available in Louisiana and interest in soft adventure is greater than hard adventure, more than one niche attraction or event of this type is possible.

TIA also noted that attendance at organized sports events is increasing in popularity with travelers. It found that 38 percent of U.S. adults (over 75 million) have attended an organized sports event, competition or tournament while traveling in the past five years. Twenty-six percent or 53 million said they had done so in the past year. The most popular events among travelers were baseball or softball. Seventeen percent of traveling U.S. adults included at least one sport event in trips over the past five years. Other popular activities include football (15 percent), basketball (9 percent) and auto/truck racing (8 percent) (Figure 44).

Figure 44. Organized Sports Events Included on Trips in Past Five Years



Source: Travel Industry Association of America, 1998

Three recent Louisiana studies estimating visitor spending at local sporting events concluded that such events are often the purpose of incidental, family, or weekend travel. (Louisiana Sea Grant College Program,2000) They are much like cultural festivals and major fairs that often draw non-residents. Indeed, most of Louisiana's convention and visitor bureaus and several tourist commissions now recognize that such events add considerably to the attractions mix within communities, and dedicate resources to recruiting them.

Sporting events can:

- generate economic activity for hotels, restaurants, attractions, retail and service businesses;
- maximize use of sports facilities, and indirectly help upgrade or establish new ones;
- call attention to a particular sport;
- provide local athletes with "home" advantage;
- improve media exposure and enhance the image of the community.

D. Tourism in New Orleans Area

New Orleans is the state's primary destination and demographic changes discussed earlier will likely affect the city, and its attractions and activities. UNO estimates that the New Orleans area hosted 11.1 million visitors in 1997, which included 9.1 million out-of-state visitors and 2.0 million in-state visitors. These 11.1 million visitors accounted for 45 percent of the total visitors to Louisiana (24.9 million visitors) in 1997 and 82 percent of all out-of-state visitors. Table 3 shows the states of origin of New Orleans area visitors from 1994-1997.

Table 3.

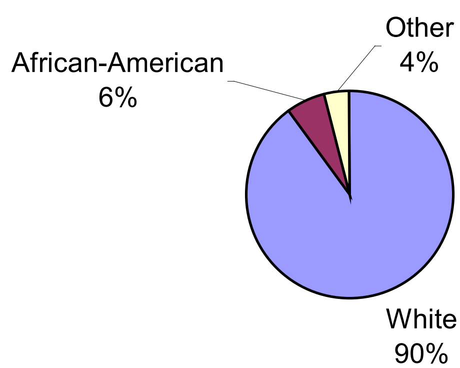
Top New Orleans Area Visitors States of Origin 1994-1997

	Total	Out-of-state Visitors
Texas	14%	16%
Louisiana	11	--
California	9	10
Florida	6	7
Mississippi	6	6
Alabama	4	5
Georgia	4	4
New York	4	4
Ohio	3	3
Illinois	3	3
Arizona	2	3
Other	34	39

Source: Travel Industry Association of America; UNO, 1998

Between 1995-97, nine in ten out-of-state visitors to the New Orleans area were White, while six percent were African-American. Another four percent were Asian American, Native American, or some other race (Figure 45).

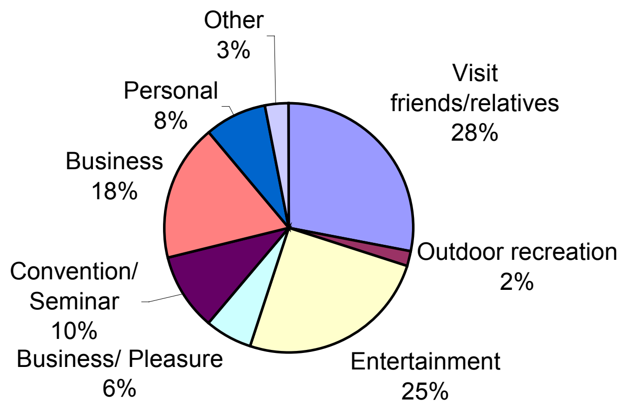
Figure 45. Out-of-State New Orleans Area Visitors Ethnicity/Race, 1995-1997



Source: Travel Industry Association of America; UNO, 1998

From 1994-1997, the majority of out-of-state visitors to the New Orleans area (55 percent) traveled for pleasure. Specifically, pleasure travel included visiting friends or relatives (28 percent), entertainment such as sightseeing or sports viewing (25 percent), and outdoor recreation (2 percent). Thirty-four percent of-out-state New Orleans area visitors traveled to the state for business purposes. These included general business (18 percent), conventions/seminars (10 percent) and combined business/pleasure travel (6 percent) (Figure 46).

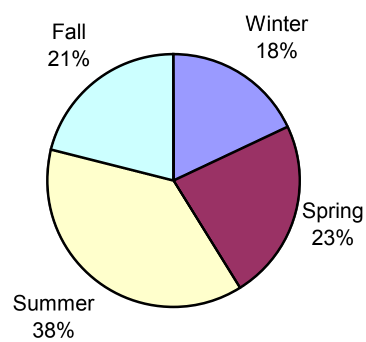
Figure 46. Out-of-State New Orleans Area Visitors
Primary Pupose of Trip, 1994-1997



Source: Travel Industry Association of America; UNO, 1998

Four in ten out-of-state visitors traveled to the New Orleans area during the summer months (38 percent), while 23 percent traveled to the New Orleans area in the spring and twenty-one percent in the fall. Winter (18 percent) was a slower season for New Orleans area travel. This is shown in Figure 47.

Figure 47. Out-of-State New Orleans Area Visitors
Season of Travel, 1994-1997



Source: Travel Industry Association of America; UNO, 1998

E. Opportunities for Louisiana Tourism - Baby Boomer Market
(all ethnic/racial groups)

Baby boomers comprise the fastest growing age group of travelers in the country, and they are interested in and able to travel. Therefore this age group provides an opportunity for Louisiana tourism. This target market is inclusive, extending beyond White boomers to those in the Hispanic and African-American groups.

It is likely that as baby boomers retire, consumption patterns will be somewhat different from today's retirees, especially in travel and this is significant for Louisiana tourism. The spending patterns of today's well-off "young elderly" may be only an approximate gauge of boomers' spending patterns in retirement. But market research firms such as Claritas report that this group spends more than double the budget of the general population on travel and travel insurance.

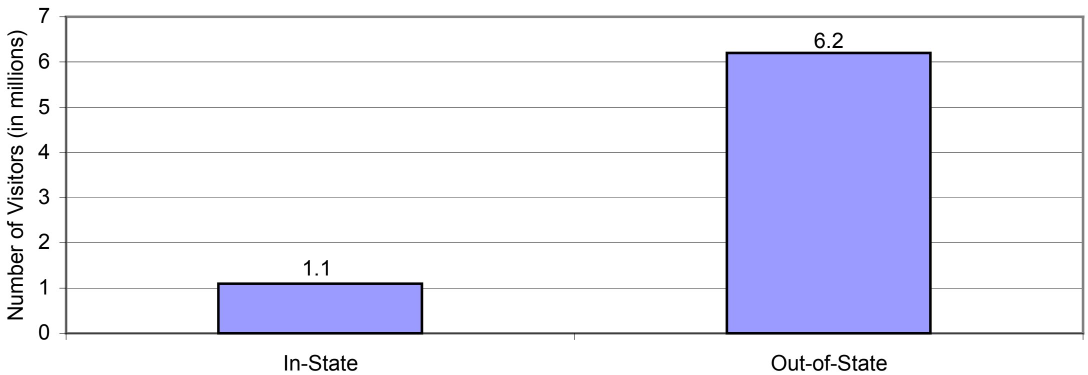
With their more active lifestyles, boomer retirees may travel the world on luxury cruises, visit gaming resorts, vacation at exotic locales, mountain bike in remote locations, and raft down rivers in the American West (Herlihy, 1998). Additionally, they are almost 40 percent more likely than others to visit a gaming casino (Frey, 2000).

If the current interests of yuppie boomers continue, the demand for golf courses will rise and stimulate a demand for golf clothing and equipment. Today's well-off elderly spend 60 percent more of their budget on country club memberships and 45 percent more on golfing vacations than the average household. *Golf* is one of the most popular magazines in well-off retirement households. However, the more active adventuresome lifestyles anticipated for tomorrow's elderly may result in an interest in golf as part of a much wider array of active pursuits (Frey, 2000).

The travel industry will be competing for a share of a lucrative, fast-growing, and discerning baby boomer market. This population group's tendency to research before choosing and to try new adventures will stimulate development of new products and services to make travel more convenient, affordable and exciting. Baby boomers are likely to expect travel experiences which are not only hassle-free but which add value to their lives. Romantic, cultural, educational, and adventuresome experiences will appeal to them (Redekop, 1997).

According to TIA, Louisiana hosted 7.3 million mature adult visitors in 1997. Of that total, 1.1 million visitors were in-state visitors and 6.2 million were out-of-state visitors (Figure 48).

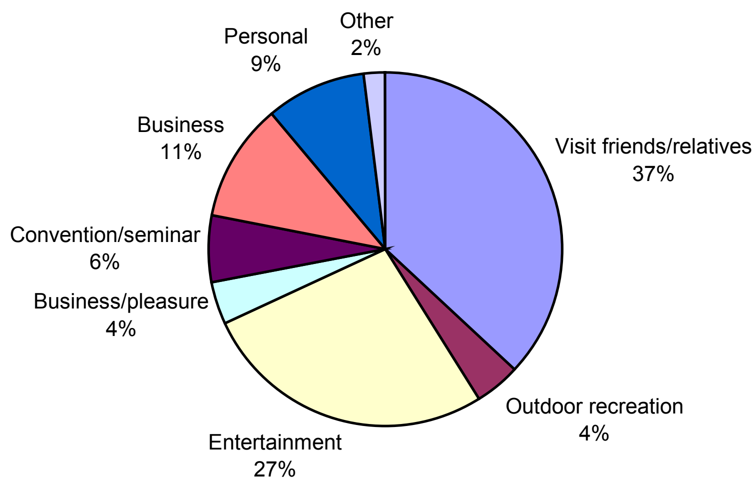
Figure 48. 1997 Mature Adult Visitors to Louisiana



Source: Travel Industry Association of America; UNO, 1998

Two out of three mature adult visitors to the state traveled for pleasure. The primary purposes of their trips are shown in Figure 49.

Figure 49. Out-of-State Mature Adult Visitors
Primary Purpose of Trip, 1994-1997



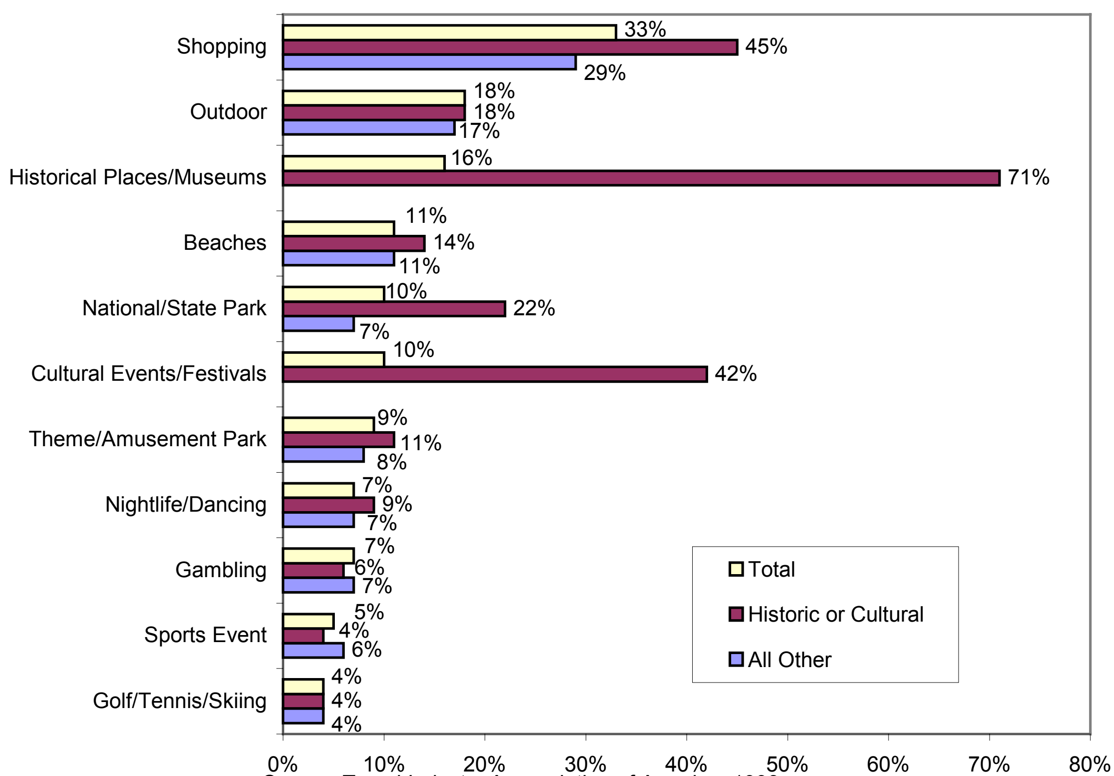
Source: Travel Industry Association of America; UNO, 1998

Together these data suggest that the majority within this target market will probably be out-of-staters traveling for pleasure, probably visiting friends or relatives and seeking entertainment. As noted earlier, mature out-of-state visitors to Louisiana enjoy gambling, shopping, but also appreciate the historical and cultural attributes of the state, and particularly of New Orleans. All of the growing ethnic and racial groups showed preferences for cultural tourism.

If carefully evaluated, these factors represent opportunities for tourism growth in Louisiana. For example, these factors could encourage growth in historical and cultural tourism. Those types of tourism activities and attractions can be used to extend a visitor's stay, increase off-peak and shoulder business and bookings, build repeat business, as well as convert a business traveler into a pleasure traveler (Guettler, 1998). In addition, travelers who include cultural events are more likely to be married professionals, have higher household incomes, and have completed college (Kappel, 1998). Louisiana already has many established cultural and historical tourism attractions as well as the resources for more. It has already been demonstrated that cultural tourists are motivated entirely or in part by arts, heritage, or historical offerings, and delight in celebrating the regional differences, ethnic character, and contemporary expressions of Louisiana's culture.

Cultural tourism can also stimulate interest in other tourism activities because cultural tourists have diverse preferences and they engage in more than one activity during a trip. Much like other travelers, cultural tourists select shopping (45 percent) as a favorite pastime during travel. They also show strong preferences for visiting national and state parks (22 percent), other outdoor destinations (18 percent), and beaches (14 percent) (Figure 50).

Figure 50. Historical/Cultural Traveler Activities



Source: Travel Industry Asscociation of America, 1998

On average, historic/cultural travelers engage in 2.5 (versus one activity) activities during a specific trip. Four in ten (43 percent) participated in at least three activities, compared to just eight percent of those not involved in historic/cultural activities. (Cook, 1997).

The historic/cultural traveler's profile is similar to the characteristics of the baby boomer demographic group. According TIA, the average age of the historic/cultural traveler's household head is 48 years old, with one-third 55 years or older (32 percent). This individual typically attended college (79 percent), and over one-half of these individuals completed college (54 percent). One in five also have postgraduate education. In almost three-fourths of the households, the head is employed full-time (72 percent), with 42 percent working in a professional or managerial capacity. The median household income $42,133, and 80 percent own their homes. Children are present in two of five households (41 percent) (Table 4). Compared to total U.S. travelers, these travelers are slightly older, more likely to be retired and less likely to have children in the household (Cook, 1997).

Table 4.

Demographic Profile of Historical/Cultural Travelers

Profile of Household Head	Total U.S. Travelers	Historic/Cultural Travelers
Average Age (mean)	46 years	48 years
55+ years old	27%	32%
Married	71	70
Parents Lifestage*	55	52
Children under 18 at home	45	41
Completed college	51	54
Postgraduate education	18	21
Employed full-time	75	72
Professional/Managerial	41	42
Retired	15	18
Annual Household Income - Median	$41,455	$42,133
Mean	$50,811	$51,669
Own home	80%	80%
Rent	18	17

*Parents lifestage includes those with adult children at home

Source: Travel Industry Association of America, 1997

F. Opportunities for Louisiana Tourism - Hispanic Target Market
(primarily Hispanics)

Although the number of Hispanic visitors to Louisiana has been very low (Cook 1996), the predicted growth of this ethnic and racial group of immigrants in Texas and Florida, two of the primary southern market states, suggests a marketing opportunity. According to William Frey in his report, *America's Demography in the New Century*, the Hispanic ethnic and racial group is one of the most under-appreciated market segments. While American corporations have been fighting over the yuppie, soccer mom and the senior markets, they have virtually ignored one of the most profitable and the fastest-growing market in absolute numbers. Less research on the tastes, preferences and spending patterns of Hispanics has been undertaken than probably any other major demographic group. That is beginning to change.

U.S. Hispanic adults are most likely to take family vacations and less likely to take sports or adventure vacations, according to the *Total Audience Survey*, conducted by Magazine Metrics in 1997. Their other travel preferences are not significantly different from all U.S. adults (Table 5).

Table 5.

Type of Vacation Taken

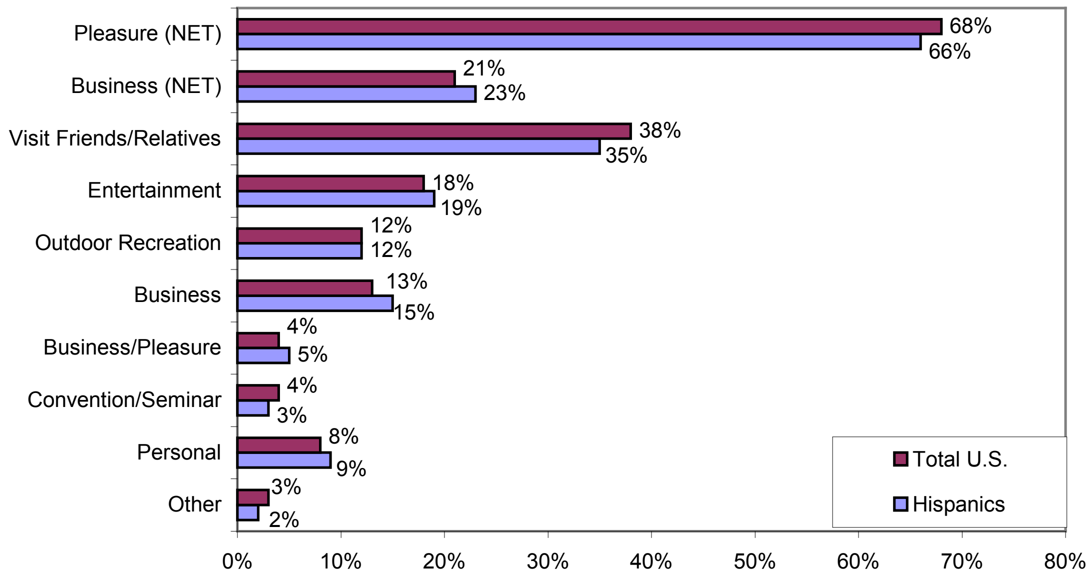
Type of Vacation Taken	%US Total Adults	%US Hispanic Adults
Family Vacation	44%	48%
Weekend /holiday getaway	35%	37%
Visit amusement park	21%	21%
Visit historic park	17%	18%
Visit national park	17%	16%
Gambling trip	15%	17%
Sun and sand	14%	16%
Sports vacation	11%	8%
Singles trip	10%	10%
Adventure trip	10%	7%
Group sightseeing trip	6%	5%

Source: Total Audience Survey, Magazine Metrics, 1997

Hispanics' travel purposes also mirror the patterns of U.S. adult travelers. The great majority travel for pleasure (66 percent), and visiting friends or relatives is a primary goal (35 percent). Figure 51 indicates that they also traveled for business (23 percent), entertainment (19 percent), and outdoor recreation (12 percent).

As indicated earlier in this report, about half the Hispanic travelers come from just three states — California (29 percent), Texas (12 percent), and Florida (8%) and they also traveled in these states. The states which attracted the greatest number of Hispanic travelers include California (21 percent), Texas (12 percent), Florida (10 percent),

Figure 51. Primary Purpose of Trip



Source: Travel Industry Association of America; TravelScope, 1996

Nevada (8%), New Mexico (5 percent), Arizona (5%), and New York (4%). In contrast, the number of Hispanic visitors to Louisiana is very low (Cook, 1996) but the two states in which this population will probably grow are Florida and Texas.

Attractions, festivals, and entertainment activities that are designed for family travel might benefit from this possibility.

Conclusion

The United States is undergoing profound demographic changes as (1) baby boomers move into and through the latter stages of their life cycles, and (2) record numbers of new immigrants arrive in this country. These changes are not only affecting the nation as a whole, but also the seven states that provide Louisiana with the lion's share of its visitors. Numbers represent only part of the effects. The tourists of the early 21^{st} century are more sophisticated, better educated and more adventurous than tourists in the previous century. Many are experienced travelers, and they expect more from their vacations than past generations.

In the near term, Louisiana appears to be favorably positioned to accommodate these changes and tourist characteristics. Surveys indicate that our main tourist product lines, notably cultural, historical, and natural attractions, shopping, and gambling satisfy tourists' current, travel activity preferences. But the consumer rules in this continuously changing marketplace. All attractions and destinations must remain alert to insure that these changes do not erode successful markets, and must devise strategies to take advantage of these changes to capture new ones.

Conclusion

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