# The Travel and Tourism Industry in Vermont

A Benchmark Study of the Economic Impact of Visitor Spending on the Vermont Economy—2005

Prepared for:

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Portland Research Group 408 Fore Street Portland, Maine 04101 www.portlandresearch.com This Benchmark Study reports on research carried out at the request of the Vermont Department of Tourism and Marketing to provide a definitive benchmark of the travel industry in Vermont during the calendar year 2005. In May 2004, Economic & Policy Resources, Inc. was first commissioned by the Department to undertake a comprehensive examination and to prepare a fully documented economic impact assessment of the travel industry in Vermont during the calendar year 2003.

This Benchmark Study and related presentations set forth the conclusions from those studies and analyses. These studies may be obtained by visiting www.epreconomics.com. Detailed discussions of the methods and conclusions are available in the appendices to these Studies and may only be obtained in electronic format by contacting Economic & Policy Resources, Inc. by e-mail: info@epreconomics.com.

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#### **Preface**

The travel and tourism industry is a complex mix of numerous business sectors coming together to form a comprehensive service industry which meets the demands of visitors to Vermont. Since 2003, the Department of Tourism and Marketing has devoted significant time and resources to better understanding this complex matrix of economic activity. Increased understanding has allowed the Department to better focus marketing efforts and establish accurate and consistent measures of the economic impact tourism has in the State of Vermont. Improved marketing leads to increased visitation and a greater economic impact to the State of Vermont and its residents. Improved accuracy and consistency of information and data supplies decision makers with the information they need for their difficult task of managing, formulating and guiding the economic policies that shape Vermont.

This analysis is the bi-annum follow-up to the original 2003 Benchmark Study. As will be highlighted throughout, the rigorous methodology developed in the original study has been preserved in this analysis and unless otherwise stated, this study is directly comparable to the 2003 study. While this consistency has been maintained whenever possible in this 2005 study, there are certain instances due to changes in third party data sources (whether definitional or methodological) where some metrics between the two studies are not 100% comparable. In these instances, it will be clearly noted and explanation will be provided.

The staff of Economic and Policy Resources, Inc. would like to thank the Department for their continued support of economic "best practices" and their resolve toward credibility and accuracy. We would also like to thank you, the reader, for your interest in this robust industry and keystone of the Vermont economy.

## Table of Contents

Preface3
Table of Contents4
Listing of Tables5
Listing of Charts6
Listing of Figures7
Executive Summary8
Introduction10
The National Tourism Industry11
Industry Activity in Vermont13
The Visitors
The Industry & Economics
Conclusion
The Impact of Heightened Homeland Security28
Changing Demographics
Increased Energy Costs400
Appendix I: Bibliography433
Appendix II: Glossary and Summary of Common Definitions
Part A: Glossary
Part B: Summary of Common Definitions of Traveler/Visitor
Appendix III: The REMI Input/Output Model511
Appendix IV: Updated Research Design58
Appendix V: Surveys and Survey Methodology611
Table of Contents:
Part I: Domestic Visitor Survey
Part II: Establishment Survey
Part III:Friends and Family Survey

## Listing of Tables

#### Table Heading

#### Page

Table 1:	Non-Resident Arrivals to the United States by World	
	Region/Country or Residence, 2000-2005	12
Table 2:	Vermont Rooms Taxable Receipts by County 2003-2005	14
Table 3:	Vermont Meals Taxable Receipts by County 2003-2005	16
Table 4:	Retail Component of Vermont Sales and Use Taxable Receipts	17
Table 5:	Total Visitors by Primary Purpose	18
Table 6:	U.S. and Vermont Gasoline Prices, 2003-2005	19
Table 7:	Best Estimate of Job Impact Attributable to Visitor Spending -	
	2005	22
Table 8:	Rank Order of Major Vermont Sectors- Estimated Director	
	Spending – U.S. vs. VT	24
Table 9:	Share of Total Sector Jobs Supported by Visitor Spending – U.S.	
	vs. VT	25
Table 10	: Estimated Direct State Revenue Impact of the Travel – Tourism	
	Industry from Visitors Demand	26
Table 11	<i>:</i> Overall Domestic Visitor Trip Activity	67-69

## Listing of Charts

#### Chart Heading

#### Page

Chart 1:	Vermont Rooms Taxable Receipts 2003-2005	14
Chart 2:	Vermont Meals Taxable Receipts 2003-2005	15
Chart 3:	Vermont Sales and Use Taxable Receipts ~ Retail Component -	
	2003-2005	16
Chart 4:	Change in Number of Overseas Visitors to U.S. in 2000 and 2005	28
Chart 5:	Change in Overseas Visitors that are in favorable opinion of U.S.	
	in 2000 and 2005	29
Chart 6:	Total Asian Visitors to the USA per Year vs. the Total Number of	
	Visitors to the USA over the 1998-2005	36
Chart 7:	Number of Total Visitors to USA per Year Versus the Total	
	Number of Visitors from Asia, Canada, and Mexico, and other	
	Overseas Visitors over the 1998-2005 Period	36

## Listing of Figures

#### Figure Heading

Page

Figure 1 REMI Model Schematic Diagram	52
Figure 2 REMI Model Flow Diagram.	53
Figure 3 REMI Model Components and Linkages	57

#### **Executive Summary**

- Visitors made an estimated 13.4 million trips to Vermont for leisure, business, or personal travel in 2005.
  - Visitor trips in 2005 experienced an annual growth rate of 2.3% over the 2003-05 period.
  - The average overnight visitor to Vermont spent \$177.37 per person trip.
  - The average day visitor to Vermont spent \$66.06 per person trip.
  - 59.8% of all visitors (approximately 8.0 million visitors) spent one or more nights in Vermont.
  - 4.4 million Domestic origin visitors reported staying in commercial lodging such as a motel, hotel, B&B, rental home or campground.
  - According to Vermont lodging operators, 40.7% of visitors to their establishments originated from New England states, excluding Vermont. They also reported an additional 32.6% of visitors originated from the Mid-Atlantic States of New York, Pennsylvania and New Jersey.
  - o Overall, overnight visitors to Vermont averaged 3.0 nights per visit.
- Total visitor spending in 2005 is estimated to be \$1.57 billion.
  - Total visitor spending grew by 3.8% annually since the 2003 Benchmark Study.
  - Of the total \$1.57 billion in visitor expenditures in 2005, lodging was the largest category of total visitor spending at 23.7% or \$372.9 million, with restaurant and bar expenditures second at \$354.2 million, and shopping third at \$337.2 million.

Total Visitor Expenditures by Category					
Category	<b>Expenditures</b> (in Millions)	% of Total			
Lodging	\$372.9	23.7%			
Restaurant & Bar	\$354.2	22.5%			
Shopping	\$337.2	21.4%			
Gasoline	\$225.0	14.3%			
Amusement & Recreation	\$158.8	10.1%			
Groceries	\$100.7	6.4%			
Auto Repair & Services	\$25.6	1.6%			
TOTAL	\$1,574.4	100.0%			
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- The tourism industry and visitor spending has a significant positive impact on the Vermont economy in the form of jobs and state tax revenue.
  - A total of 36,250 jobs (approximately 12% of all jobs) were supported in the Vermont economy by visitor spending in the traveltourism industry in calendar year 2005.
  - Visitors to Vermont in 2005 contributed an estimated \$196.4 million in tax and fee revenues—just under 10% of total state tax revenue.

Top 4 Visitor Contributions to State Revenue								
State Tax or Fee Source	State Totals (in millions)	<b>Visitor TotaIs*</b> (in millions)	Visitor Portion** (as % of total fund)					
Rooms & Meals Tax	\$112.8	\$55.1	48.9%					
Gasoline Tax	\$65.9	\$12.1	18.3%					
State Education Property Tax	\$676.5	\$72.6	10.7%					
Sales & Use Tax	\$317.5	\$26.8	8.4%					
*Does not include second home cons	struction, related expe	nditures and real estate ca	pital gains.					
**Due to changes in tax allocation to	individual funds, visito	r portions from previous st	udies are not directly					
comparable to current measures.								

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 In 2005, restaurants in Vermont were nearly one and one half times more dependent on visitor spending than the national average. The retail sector in Vermont was more than doubly reliant on visitor spending relative to its U.S. industry counterpart.

Share of Total Sector Jobs Supported by Visitor Spending - U.S. vs. VT						
Commodity Category - Sector	United States	Vermont				
	(%Total Jobs in Sector)	(%Total Jobs in Sector)				
Hotel and Lodging	74.0%	88.3%				
Eating and Drinking	19.6%	32.3%				
Transportation*	33.5%	17.5%				
Recreation and Entertainment	27.2%	35.3%				
Gasoline and Oil	6.6%	22.0%				
Retail and Retail - Related	2.5%	5.5%				
*The share of transportation is low er because Ve	rmont is not home to major transportation in	ndustries such as airlines and shipping				
	Prepared by	Economic & Policy Resources, Inc.				

#### Introduction

Vermont is a vacationer's paradise. With scenic mountains, a tradition of pristine environmental quality, rural quaintness and emerging urban experiences on a pleasantly human scale, Vermont has a lot to offer. Four distinct seasons add a weather element of exotic variables to a full platter of leisure activities.

Like an export industry, tourism in Vermont generates significant economic activity by drawing dollars into Vermont from out-of-state visitors. In return, tourism businesses provide memorable experiences, relaxation, and opportunities to purchase distinctive Vermont foods and products. Visitor spending acts as a catalyst, generating significant economic impacts in the forms of jobs and personal income for Vermonters.

In 2005, Vermont was host to over 13.4 million person trips. Spending associated with these trips exceeded \$1.5 billion dollars. Over 36,000 jobs can be attributable to visitor spending. This equals approximately one in every 10 jobs in the State of Vermont. Tax and fee revenues associated with visitor activity totaled an estimated \$196.4 million dollars in 2005.

Welcome to the 2005 Benchmarking Study.

#### The National Tourism Industry

United States residents made 1.99 billion person trips within the contiguous United States during 2005, according to statistics reported by the Travel Industry Association (TIA). Total visitor spending on these trips exceeded \$600 billion dollars during 2005, up from just under \$600 billion dollars in 2004, and up considerably from 2001's total of roughly \$550 billion dollars. This level of visitor spending generated over \$100 billion in taxes and \$170 billion dollars in tourism industry related payroll according to TIA.

Real output returned to pre-9/11 levels in 2004, but employment continues to remain below pre-September 2001 levels according to data published by the U.S. Department of Commerce (DOC) in their publication *U.S. Travel and Tourism Satellite Accounts for 2002-2005.* The DOC does not estimate the volume of visitor travel in the same manner as other agencies. Instead, the DOC estimates economic output by examining the impact of travel spending on Gross Domestic Product and employment. The DOC starts with a measure of output by industry sector then works backwards to portion out the share related to travel and tourism using statistical algorithms. In their report for 2005, the DOC estimates that real output in all tourism services was \$543.5 billion in 2004 surpassing the pre-September 2001 peak of \$516.6 billion in 2000. For 2005, the DOC reports real output for all tourism sectors of \$570.2 billion or an increase of 6.7% in 2004 over 2003 and an increase of 4.9% in 2005 over 2004.

The DOC estimates that in 2000 direct employment in all travel and tourism sectors totaled 5.71 million jobs. Employment then dropped in 2001, in 2002 and again in 2003 where the estimate stood at 5.45 million jobs. In 2004, the estimate of total jobs increased for the first time since 2000 to 5.56 million and increased again in 2005 to 5.65 million, a level roughly equal to that reported for 1999. From the data we conclude that a combination of changing consumer demand and improvements in labor productivity have influenced travel and tourism sectors as it has the overall economy.

Consistent with aforementioned measures of tourism output, estimates of international travel into the U.S. have shown increases in 2005 and a continued recovery to pre-September 11, 2001 levels. The Office of Travel and Tourism Industries (OTTI) reports that total arrivals of non-resident arrivals to the U.S. exceeded 41.1 million in 2005 (refer to Table 1). This represents a 7.8% increase over 2004 levels and a continuation of the upward trend established in 2004 which increased 10.8% over 2003 arrival data. 2003 represents the trough of the downstream effects of the September 11<sup>th</sup> attacks and the culmination of three years of decreases in the nominal non-resident arrivals into the U.S. Tightened airline security and regulations created a psychological if not real reluctance of travelers to travel both domestically as well as internationally post 9/11.

	Total	Annual		Annual		Annual	Total	Annual	Western	Annual
	Arrivals	Change	Canada	Change	Mexico	Change	Overseas	Change	Europe	Change
2000	44.6	***	14.6	***	4.0	***	26.0	***	11.2	***
2001	39.2	-12.2%	13.5	-7.4%	3.8	-5.3%	21.8	-15.9%	9.1	-18.5%
2002	35.9	-8.3%	13.0	-4.0%	3.8	0.5%	19.1	-12.4%	8.2	-9.5%
2003	34.5	-4.1%	12.7	-2.4%	3.8	-1.9%	18.0	-5.7%	8.3	0.6%
2004	38.2	10.8%	13.8	9.4%	4.0	5.8%	20.3	12.7%	9.3	12.2%
2005	41.1	7.8%	14.9	7.3%	4.6	15.3%	21.7	6.7%	9.9	6.2%
Notes: [1] Arrivals a Source: T	are reported in The Office of <sup>-</sup>	n millions. Travel and <sup>-</sup>	Tourism Indu	stries.						
						Prep	ared by Econ	omic & P	olicy Resou	rces, Inc.

Table 1: Non-Resident Arrivals to the United States by World Region/Country of Residence, 2000-2005 [1]

Parallel with international visitor activity, spending by international travelers continues its recovery from the early 2000s and is estimated to be just over \$80 billion dollars in 2005, up 10% from 2004. This accounts for over 10% of the world's international travel spending and accounts for about 13% of the total visitor spending in the U.S. in 2005 as reported by TIA.

While international visitors are an important travel demographic, given their longer stays and increased levels of spending on those trips, approximately 87% of all travel spending in the United States is of domestic origin. In some parts of the United States, travel spending by visitors represents a major flow of dollars into a region's local economy in the same manner that manufacturing or professional services delivered to a national or global market brings in dollars. According to TIA, three quarters of all domestic trips were for leisure purposes with the remaining 25% being taken for business purposes and 10% combining the two. Shorter overnight trips were more prevalent than longer trips. One to two night trips were more popular than trips lasting three nights or longer as reported by TIA.

According to TIA, the average domestic traveler in the United States reported:

- being about 45 years old;
- a household income of \$70,000;
- a 70% response rate to being married;
- dining was the most popular tourist activity in 2005 followed by shopping, entertainment and sightseeing;
- once again, summer as the most popular season for tourism;

While the younger generations are becoming increasingly more mobile and familiar with travel, the aging of the average visitor in the United States is expected as the aging global population of many industrialized nations look to travel. This aging segment includes baby boomers in the United States as well as older individuals with higher incomes from countries like China who are increasing their leisure and professional travel.

### Industry Activity in Vermont

Consistent with the 2003 Benchmark Study on the Economic Impact of Tourism in the Vermont Economy, it is important for readers to understand the fine but significant distinction between tourism industry activity and visitor activity. The tourism industry provides service to all people of which the majority tends to be However, many Vermonters ski in Vermont, go camping, eat at visitors. restaurants and even rent hotel function and quest rooms. In instances where this Vermonter activity is a substitute for an out of state vacation, that does constitute visitor activity. However, resident spending in tourism based industries that comes in the normal course of daily life is not considered part of visitor activity, even though it clearly is a part of the industry's activity measures. In this analysis, as in the 2003 Benchmark, visitor activity has an economic multiplier similar to that of an export industry in which dollars from outside the state (in this case the geographic area under study), or dollars from Vermont residents that would have otherwise been spent outside the area, remain in the Vermont economy, stimulating industry businesses.

While the majority of this report focuses on visitor spending, this section provides a holistic overview of the tourism industry focusing on taxable receipts data collected by the Vermont Department of Taxes. By examining the taxable receipts on both the state and the county level it is possible to get an idea of how the tourism industry is performing overall and in different areas of the state. Tourists that visit Vermont and Vermont residents alike spend money on items such as lodging (including camping), eating in restaurants, fuel and shopping. Each one of these expenditures is taxed by the State of Vermont creating an economic benefit for the state as well as the proprietors of tourism industry businesses. Following this discussion, an analysis of the importance of the visitor activity by spending category is presented. The reported percentage represents the measure of industry reliance on visitors by each of the major spending components.

Chart 1 shows that Rooms' taxable receipts in Vermont increased by about \$14.8 million or 2.3% a year from 2003 to 2005. Growth in receipts was much stronger from 2004 to 2005 at 3.7% compared to 2003 to 2004's growth rate of 0.8%. As the table below shows, this growth was not felt evenly across the state. Addison County showed the strongest average annual growth over the three year period at 10.2%. This was followed by the combined areas of Franklin/Grand Isle Counties at 6.4% and Essex/Orleans County at 6.1% per year for the period. In all three of these areas, the 2004 calendar year showed stronger growth than 2005. Taxable receipts in Addison County increased by 22.1% from 2003 to 2004, then fell by -0.6% from 2004 to 2005.<sup>1</sup> While this drop off in receipt growth

<sup>&</sup>lt;sup>1</sup> The increase may be attributable to the opening of a relatively large hotel in the county in 2004.

was not as pronounced in the other two areas, a noteworthy decline in receipts growth between 2004 and 2005 did in fact occur.



The counties showing the weakest growth over the total period of 2003 to 2005 had the opposite experience of those showing the strongest growth. Rutland, Windham and Lamoille counties had much stronger years in 2005 than in 2004. Lamoille County grew just 1.2% per year from 2003 to 2005 as a result of a decline in taxable receipts from 2003 to 2004, followed by a stronger increase in taxable receipts from 2004 to 2005. Rutland and Windham Counties had a similar experience although they did not experience enough positive growth 2005 to make growth in taxable receipts positive for the entire 2003-2005 period.

			-	·	·	Average
				Annual Change	Annual	Annual
Region	2003	2004	2005	03-04	Change 04-05	Change 03-05
Addison	\$9.2	\$11.3	\$11.2	22.1%	-0.6%	10.2%
Bennington	\$30.2	\$31.1	\$32.1	2.9%	3.4%	3.2%
Caledonia	\$6.2	\$6.7	\$6.7	7.3%	-0.4%	3.4%
Chittenden	\$59.3	\$62.5	\$64.8	5.4%	3.6%	4.5%
Essex/Orleans	\$8.1	\$9.0	\$9.2	10.2%	2.2%	6.1%
Franklin/Grand Isle	\$8.9	\$9.7	\$10.1	8.9%	3.9%	6.4%
Lamoille	\$46.3	\$44.0	\$47.4	-4.9%	7.7%	1.2%
Orange	\$4.0	\$4.1	\$4.2	2.0%	2.8%	2.4%
Rutland	\$47.1	\$44.8	\$45.5	-5.0%	1.6%	-1.8%
Washington	\$18.8	\$18.5	\$19.7	-2.1%	6.6%	2.2%
Windham	\$38.5	\$37.3	\$37.9	-3.2%	1.7%	-0.7%
Windsor	\$46.5	\$47.2	\$49.4	1.5%	4.7%	3.1%
Vermont	\$323.3	\$326.0	\$338.1	0.8%	3.7%	2.3%
				Prepared	by Economic & Poli	cy Resources, Inc.

Table 2: Vermont Rooms Taxable Receipts by County - 2003-2005 (in millions)

One of the main reasons for this disparate performance may be the weather's impact on different types of seasonal tourist traffic. The 2003-2004 ski season was considered a down year while the 2004-2005 season was considered somewhat more normal. This may have affected Lamoille, Rutland and Washington Counties' taxable receipts while a warmer, drier summer in 2004 boosted receipts in areas such as Addison County and combined Franklin and Grand Isle Counties that are more dependent on warm weather tourism.

Examination of the Meals portion of Vermont Rooms and Meals taxable receipts shows a more prominent increase in taxable receipts from 2004 to 2005 than from 2003 to 2004. Vermont's Meals' taxable receipts increased by 5.4% per year between 2003 and 2005 showing a stronger increase than the Rooms portion of the tax but exhibiting the same pattern of a higher rate of growth between 2004 and 2005 than 2003 and 2004.



Growth in this revenue source was more evenly spread among the counties than the Rooms portion of the tax as shown by the Table 3 below. The largest gains were made in combined Essex and Orleans Counties, Caledonia County, and Chittenden County with growth rates of 8.3%, 6.8% and 6.7% per year, respectively, from 2003 to 2005. These areas had better years in 2004 than 2005, similar to the areas showing the highest growth in Rooms taxable receipts.

						Average
				Annual	Annual	Annual
Region	2003	2004	2005	Change 03-04	Change 04-05	Change 03-05
Addison	\$24.5	\$26.9	\$27.4	9.6%	1.8%	5.6%
Bennington	\$45.6	\$48.1	\$49.3	5.5%	2.6%	4.0%
Caledonia	\$19.8	\$21.4	\$22.5	8.4%	5.1%	6.8%
Chittenden	\$183.6	\$200.9	\$209.2	9.5%	4.1%	6.7%
Essex/Orleans	\$17.9	\$20.0	\$21.0	12.0%	4.8%	8.3%
Franklin/Grand Isle	\$26.0	\$28.1	\$29.1	8.2%	3.5%	5.8%
Lamoille	\$38.3	\$39.9	\$41.3	4.2%	3.7%	3.9%
Orange	\$12.7	\$13.4	\$13.4	5.5%	0.2%	2.8%
Rutland	\$71.2	\$75.4	\$78.6	5.8%	4.4%	5.1%
Washington	\$57.8	\$60.0	\$63.4	3.7%	5.6%	4.7%
Windham	\$59.4	\$62.2	\$64.7	4.7%	4.0%	4.4%
Windsor	\$55.0	\$57.8	\$59.9	5.1%	3.8%	4.4%
Vermont	\$666.1	\$711.3	\$739.5	6.8%	4.0%	5.4%
				Prepared	by Economic & Poli	cy Resources, Inc.

#### Table 3: Vermont Meals Taxable Receipts by County - 2003-2005 (in millions)

The areas showing the weakest growth are Orange, Lamoille, and Bennington Counties at 2.8%, 3.9% and 4.0% respectively. These counties show higher levels of taxable receipt collections in 2004 than in 2005 in much the same way that the areas showing weaker growth in Rooms taxable receipts did.

The retail component of Vermont's Sales and Use Tax has grown more rapidly than the revenue sources examined so far. From 2003 to 2005, collections from this revenue source have increased by 8.6% a year. Calendar year 2004 was a very strong year for retail taxable receipts, evidenced by an increase of 13.0% between 2003 and 2004. Calendar 2005 did not display the same double digit increase but did display a healthy rate of growth of 4.4% from 2004.



Collections in Vermont counties were more homogenous in this revenue source. With the exception of collections from retail businesses without a fixed location in Vermont (the "other" line in the table below), growth was strong, ranging from 10.0% per year in Lamoille County to a reasonably healthy 4.4% in Rutland County. The large size of the "other" area of collections diminishes the usefulness of this data set because it is not known where in the state the tax generating retail sales occurred.

						Average
				Annual Change	Annual Change	Annual
Region	2003	2004	2005	03-04	04-05	Change 03-05
Addison	\$119.9	\$129.1	\$134.1	7.7%	3.8%	5.7%
Bennington	\$288.8	\$309.5	\$315.4	7.2%	1.9%	4.5%
Caledonia	\$118.0	\$126.3	\$130.8	7.1%	3.6%	5.3%
Chittenden	\$1,282.6	\$1,431.4	\$1,486.9	11.6%	3.9%	7.7%
Essex/Orleans	\$119.7	\$129.2	\$130.3	7.9%	0.9%	4.3%
Franklin/Grand Isle	\$176.7	\$197.3	\$209.0	11.7%	5.9%	8.8%
Lamoille	\$149.2	\$164.1	\$180.7	10.0%	10.1%	10.0%
Orange	\$68.5	\$74.3	\$76.5	8.5%	2.9%	5.6%
Rutland	\$487.2	\$513.1	\$531.4	5.3%	3.6%	4.4%
Washington	\$301.7	\$328.5	\$344.4	8.9%	4.8%	6.8%
Windham	\$224.5	\$239.3	\$250.4	6.6%	4.7%	5.6%
Windsor	\$230.1	\$256.6	\$263.1	11.5%	2.5%	6.9%
Other	\$648.0	\$862.8	\$917.0	33.1%	6.3%	19.0%
Vermont	\$4,214.8	\$4,761.5	\$4,969.9	13.0%	4.4%	8.6%
				Prepared	d by Economic & Poli	cy Resources, Inc.

Table 4. Retail Component of Vermont Sales and Use Taxable Receipts by County - 2003-2005 (in millions)

Table 4 shows that the higher rate of growth from 2003 to 2004 versus that of 2004 to 2005 was felt relatively evenly across the state. Every county in Vermont had higher rates of increase in the retail portion of Sales and Use taxable receipts from 2003 to 2004 than from 2004 to 2005.

#### **The Visitors**

The images conjured upon mentioning the word "Vermont" range from lush landscapes (e.g. colorful foliage, mountains or farmland) to fun activities (skiing, snowboarding, concerts, and summer recreation), all the way to food products (such as Vermont-made maple syrup, ice cream or cheese). Whatever the motivation, visitors made over 13.4 million person trips to Vermont during calendar year 2005. The majority (78.6%) came as part of a leisure trip for a vacation or short getaway. Coming from all over the globe, visitors recognize the Vermont brand for a superior level of leisure and hospitality services.

But recreation is not the only reason people visit Vermont. With first class medical facilities and nationally recognized higher education institutions, some visitors to Vermont have reasons other than leisure for coming to the state. These include personal business (as indicated above relating to education and medical matters) or professional business (as in business conferences or client meetings). Survey responses indicate that of the 13.4 million person trips in 2005, 1.7 million or 12.5% was for the primary purpose of personal business while the remaining 8.9% of trips was for the primary purpose of business. Since 2003, these levels have remained relatively stable (see comparison table 5 However due to technological advances and continually improving below). transportation infrastructure, the business traveler appears ripe for future growth and may be a desirable target for future marketing efforts. At the reported \$225 per overnight trip by business travelers, a 10% increase in the overall number of overnight business travelers will result in an additional \$16.1 million into in the Vermont economy. Hotels and resorts have already made good headway in creating available spaces for conferences, seminars and retreats – all catering to the business community.

		y i ai pooo				
		Personal				
Year	Leisure	Business	Business			
2003	78.8%	12.7%	8.5%			
2005	78.6%	12.5%	8.9%			
	Prepared by Economic & Policy Resources, Inc.					

While the opportunity for growth in the business traveler market offers good potential, it is the leisure traveler that rules the day when it comes to the Vermont visiting experience. With a reported 10.5 million leisure person trips in 2005, the Vermont tourism industry continues to be a popular destination for such visitors. Overall, visitation to Vermont has experienced an annual growth of 2.3% over the two year period between benchmark years. This trend of strong growth was during a time of economic uncertainty. As foreign conflicts percolated and the price of gasoline escalated, visitors both on the national and international front demonstrated perseverance in the pursuit of travel experiences.

Vermont's blend of high quality vacationing experiences and easy access by personal auto from several major metropolitan areas, has established Vermont as a premiere vacation destination. Vermont draws the majority of its visitors from the northeast U.S. region, with 82.8% coming from within New England (including Vermonters recreating in Vermont) or the Mid-Atlantic states. While Vermont, like other rural areas, faces the problem of the flight of its youth, Vermont gains older in-immigrants who are looking to live the full Vermont experience. While fewer Vermonters have been delineating themselves as actual "visitors" (visitors are those traveling outside their normal commuting range) in the past two years, the future prospects look positive. Reportedly, the recent downward trend for in-state visitation by Vermont residents is directly related to the sharp increases in transportation costs associated with gasoline. Out of the fifty states. Vermonters are the third highest for logging mileage on a personal vehicle. As reflected in the Table 6 (below), the rising costs of gasoline over the 2003 and 2005 period placed a financial burden on Vermont households. As gas prices have clearly curtailed some activity, it is projected Vermonters will soon resume their exploration of their fair state-absent another Hurricane Katrina-like escalation in energy-gasoline prices.

		%	,	%	
Year	Vermont	Change	Unites States	Change	
2003	\$1.60		\$1.57		
2005	\$2.31	20.4%	\$2.26	20.0%	
	Prepared by Economic & Policy Resources, Inc.				

Table 6: U.S. and Vermont Gasoline Prices, 2003-2005

In contrast, between the two benchmark years of calendar 2005 and calendar 2003, Canadian visitors to Vermont have increased significantly during these times of constant economic fluctuations. During this two year period, Canadian overnight and day visitors increased annually by 3.8% and 5.3% annually, respectively. In those visitors, the Vermont tourism industry found some degree of solace in the face of energy prices and weather conditions that, at times, have worked against the industry. With favorable exchange rates for the Canadian dollar versus the American. Canadians have been able to stretch their travel dollar with Vermont's travel-dependent businesses as the benefactor. Due to increased visitation and increased levels of per trip expenditures, the Canadian visitor contributed \$234.9 million to the Vermont economy in 2005. This represents an annual increase of 9.9% over 2003 levels and represents 14.9% of all visitor spending in Vermont in 2005. Depending upon the exchange rate, the close proximity of the Canadian border can act as a counter weight to standard ups and downs of the American business cycle. A large population base (such as the one located in southern Quebec) that generally is motivated by different economic factors than potential visitors from nearby U.S. markets, adds a buffer and a new level of robustness to the Vermont tourism industry and its performance during times of American economic slowdown or hardship. This is evident in the previously discussed travel experiences of the local Vermont Four Vermont properties were included in the book 100 Best Wedding Destinations.

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population who opted for fewer trips in Vermont with incrementally higher per trip expenditures.

However, while Vermonters retrenched and Canadians advanced, domestic visitors recorded mixed growth over the calendar 2003 to 2005 period. As with the leisure traveler when compared to other stated travel purposes, the domestic visitor represents and will continue to represent the bulk of visitor activity in the State of Vermont. Day and overnight visitor travel activity by domestic visitors registered annual activity changes of 8.0% and -5.9%, respectively. In terms of total spending by each category, domestic overnight visitor spending experienced an overall annual decrease of 4.5% (\$990.0 million in 2003 versus \$903.2 million in 2005). However, the total spending for domestic day visitors increased annually by 14.7% or from \$51.4 million in 2003 to \$67.7 million in 2005. This shift towards day trips is evident in the overnight versus day percentage. In 2003, the domestic ratio was 6.4 overnight trips per day trip to In 2005, that ratio dropped to 4.9 trips Vermont. indicating a significant increase in the day visitor Increased frequency of travel and increased activity. visitor spending served to partially counterbalance the decrease in the domestic overnight population.

A separate and very significant category of visitor is the second home owner. Based on tax data, between 2003 and 2005 Vermont witnessed an increase in second home properties of 4.9% on an annual basis. The majority of this increase was during the 2004 to 2005 period which experienced a growth of over 10% in the number of properties classified for tax purposes as second homes or vacation homes. A booming national housing market in 2005 (prior to its recent peak), combined with low financing rates, stimulated significant investment in these types of properties. Of interest to note is the bulk of the second home growth was by in-state residents. The number of second homes owned by Vermont residents increased from fewer than 42,000 units to approximately 49,000 units during the 2003 to 2005 time period. While the units increased, the average value of second homes owned by in-state residents still remains significantly less than those owned by their out of state counterparts - an

estimated \$133,000 vs. \$193,000. Intuitively, these estimates of value seem low, but remember they are based on assessed value for tax purposes and could reflect assessments made several years ago. In addition, Vermont has a significant number of "second homes" which are little more than hunting cabins without indoor plumbing or electricity. The weight of such factors would drastically draw down the average value of such units overall versus what an individual would normally experience in the second home market place around a resort or along any of the state's lakes or other waterways..

Excluding the investment in property, durable goods and property maintenance (all of which are significant, but cannot be calculated without primary data that is not readily available), second home visitation in itself added over \$101 million in visitor spending to the state's economy. Similar to the insulation to economic cycles that a large foreign market base (i.e. Canadian visitors) can provide to the tourism activity, the second home industry has also recently insulated Vermont from economic cycles (e.g. the early 2000s downturn). The significant investment into a specific property creates an anchor or a draw for visitors, their friends and their families. In addition, a survey of second home owners completed in 2004 indicates spending on durable goods and maintenance is \$507.67 and \$1,606.42 per year per property by in-state and out of state owners, By applying this estimate (adjusted to 2005 dollars) to the respectively. estimated number of second homes in 2005 equates to an additional \$77.2 million into the Vermont economy beyond the typical visitor spending previously reported. It is important to mention that the costs associated with the increased number of second homes as it impacts the availability and price for housing in Vermont for local residents is beyond the scope of this analysis.

The last group of visitors to be discussed is, in nominal standards, the smallest category and by far the most difficult to quantify – international visitors. This visitor segment (which in this study excludes Canadian visitors) on average spends the longest amount of time per trip in Vermont (4.2 days) and on average spends the most per visitor per trip (\$414.04). However, the data that attempts to quantify international visitors to Vermont suffers from methodological problems. The estimate reported here of 66.0 thousand international visitors to Vermont in 2005 is very conservative. It is based on data collected from in-flight and customs surveys provided to international airline passengers entering the United States. Because Vermont is not a major hub for international flights, the survey responses are unverifiable, leading to inaccurate or incomplete reporting. It is widely believed that smaller states like Vermont are underreported in the compiled survey data. Once on U.S. soil, whether entering through Boston or New York, international visitors are allowed free pass into other states. Unless explicated stated as an intended destination on the customs and in-flight survey, an international visitor to Vermont will go uncounted. Due to heightened international security, this problem is being brought to light and alternative survey methods are being proposed at the national level. This segment of the visitor population is ripe for future investigation.

### The Industry & Economics

As previously discussed, a number of different methods of categorization can be used to report the size of the travel and tourism industry relative to other economic sectors. The majority of this report has focused on the visitor related activity while carefully delineating this from overall activity in the industry. In this section, we continue this discussion with estimated levels of visitor intensity by category of visitor expenditure. In addition, we look at the impact of the visitor activity on employment opportunities. Finally, we report the estimated total costs and benefits of the visitor portion of the travel and tourism industry using the same comprehensive methodology established in the 2003 Benchmark study.

This study estimates there was a total of \$1,574.4 million in total travel and tourism industry activity supported by visitor spending during calendar year 2005. As a result, it was estimated that a total of 36,250 direct and indirect, full-time and part-time jobs (including Proprietors) were supported by visitor spending in Vermont during calendar 2005. This total includes over 9,500 indirect and induced jobs which were created due to the economic linkages between visitor spending and other sectors not directly linked to travel and tourism sectors in the Vermont economy. Also included in this total is over 7,500 proprietors who are able to craft their own employment within the industry – either directly related to visitor activity or indirectly through their linkages to supporting businesses and employees of visitor related industries.

Table 7. Best Estimate of 500 impact Attributable to	visitor sperit	unig - 2005
Direct Wage & Salary Jobs		19,235
Proprietors in the Industry	+	7,513
Indirect Wage & Salary Jobs	+	9,502
Total Direct/Indirect Jobs & Proprietors*		36,250
Note: *Does not include second home construction and related expo	enditures.	

Table 7: Best Estimate of Job Impact Attributable to Visitor Sponding - 2005

Prepared By: Economic & Policy Resources, Inc.

A healthy tourism sector is vital to a healthy Vermont economy. As an industry, it is a major employer providing thousands of job opportunities for the residents of Vermont. *Focusing solely on jobs directly attributable to visitor spending, which represents a fraction of the total industry, it ranks as the forth largest industry in Vermont* with an estimated 19,235 jobs (see Table 8). For this relative ranking, the number of proprietors is excluded from the employment counts because there currently is no reliable way to allocate the state's farm and non-farm proprietors by major sector, as was also the case in the 2003 Benchmark Study. This is true, even though proprietors are in fact a very important part of the travel industry's job picture. This method of approach likely is a conservative way of assessing the industry's relative economic importance because of that employment dynamic within the industry. This indicates that the travel industry remains as one of the more important sectors in the Vermont economy—ranking

in terms of direct wage and salary job numbers among the most significant in the state.<sup>2</sup>

 $<sup>^{2}</sup>$  For a more elaborate explanation of the various sources of employment counts and the differences between them please refer to the 2003 Benchmark Study pages 35-37.

		NAICS	QCEW [2]			
Rank	Industry Sector	Code	Direct Employment	Sub Table 8: Visitor Portion of	Travel & Hospi	tality
1	Health Care and Social Assistance	62	41,728	Employment by In	dustry	
2	Retail Trade [4]	44, 45	39,324 🗸		NAICS	
ω	Durable Goods Manufacturing	ł	26,422	Industry Sector	Code Emp	loyment
4	Travel & Hospitality (Visitor Portion) [3]	1	19,235 <	Hotel & Lodging PLUS	721	
ъ	Construction	23	16,867	Eating & Drinking Places	722	15,600
6	Professional and Technical Services	54	12,797	Recreation & Entertainment	71	1,387
7	Non-Durable Goods Manufacturing	ł	10,418	Transportation	48	256
8	Wholesale Trade	42	10,072	Gasoline & Oil	447	852
9	Finance and Insurance	52	9,650	Retail & Retail-Related	44,45	1,140
10	Education Services	61	9,064	Total		19,235
11	Other Services, except Public Administration	81	9,059			
12	Transportation -Warehousing [4]	48, 49	6,671			
13	Information	51	6,232			
14	Real Estate and Rental and Leasing	53	3,263			
15	Natural Resources	11	2,315			
16	Utilities	22	1,703			
17	Mining	21	695			
Notes:						
[1] Includes	wage and salary employment only refers to the Quarterly Census of Employment and W	lages.				
This em	ployment concept excludes proprietors.					
[3] "Visitor I [4] Excludes	Portion" refers to employment directly attributable to s employment attributed to visitor spending.	visitor spenc	ling.			
Sources:						
EPR and Ve	ermont Department of Employment and Training					
	Prepared By	r: Economic &	Policy Resources, Inc.			

As a region, Vermont is more heavily reliant upon visitor activity when compared to national averages on a number of benchmark statistics. In some industry sectors, the dependence is upwards of two times greater than national averages. A cursory review of Table 9 below illustrates and details this point. Eating and drinking establishments have a relative dependence of 19.6% nationally versus the Vermont estimate of 32.3%. Vermont shows an even stronger dependence on retail and retail related activity with an estimated level of 5.5% reliance versus 2.5% on the national level. The one commodity sector which Vermont is less reliant than its corresponding national estimate is the Transportation sector. As noted in the table, Vermont lacks a major transportation hub from which to stimulate or perpetuate visitor activity. Conversely, as a counter balance and an indication of the nature of Vermont visitation, the dependence on gasoline consumption is heavily relied upon for visitor support. As previously stated, personal auto is the most popular way visitors travel to Vermont. In addition, Vermonters are mobile people who also rely heavily on personal auto travel in the pursuit of their own tourism activities – both in and out-of-state. The northeast corner of the United States is a geographically concentrated area with numerous popular visitor destinations; Vermont is a good starting point for such exploration. Whether dollars come from out-of-state visitors or from in-state visitors, visitor activity is an important economic driver in the creation and retention of employment opportunities in Vermont.

Commodity Category - Sector	United States	Vermont
	(%Total Jobs in Sector)	(%Total Jobs in Sector)
Hotel and Lodging	74.0%	88.3%
Eating and Drinking	19.6%	32.3%
Transportation [1]	33.5%	17.5%
Recreation and Entertainment	27.2%	35.3%
Gasoline and Oil	6.6%	22.0%
Retail and Retail - Related	2.5%	5.5%
Notes:		

#### Table 9: Share of Total Sector Jobs Supported by Visitor Spending - U.S. vs. VT

[1] The share of transportation is low er because Vermont is not home to major transportation industries such as airlines and shipping.

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Aside from the job impact, visitor activity also generates significant benefits to the state's tax-fee coffers. As part of the biennial study, a complete analysis of the impacts associated with visitors to Vermont was conducted consistent with the methodical procedures established in the 2003 Benchmark Study. The results of this analysis are highlighted in Table 10 below. From the table, *visitor spending in the travel industry was estimated to have contributed an estimated \$196.4 million to Vermont state coffers in calendar 2005.* An estimated \$99.3 million or over 50% of the total in calendar year 2005 was contributed by the state's General Fund revenue sources. Another \$15.1 million or 7.7% of the total was contributed by Transportation Fund sources. The Education Fund sources were estimated to have contributed \$82.0 million or 7.8% of the total in 2005 was

contributed by instate visitor spending. The other 92.2% of the total for calendar 2005, corresponding to \$181.1 million, was attributable to expenditures made by out of state visitors. Overall the total revenue benefit of \$196.4 million in 2005 demonstrated an annual percentage increase of 4.0% from the calendar year 2003 total revenue benefit of \$181.7 million. The largest percent of this reported gain is attributable to the nominal increase of \$13.7 million attributable to out-of-state visitors.

Table 10: Estimated Direct State R	evenue Impact of the	Travel-Tourism Industry fro	m Visitor Demand (	Calendar Year 2005\$)

	Revenue	Related to:	
Fund-Component	Benefit	In-State Visitors	Out-of-State Visitors
	(Millions of Calendar 2005\$)	(Millions of Calendar 2005\$)	(Millions of Calendar 2005\$)
General Fund:			
Personal Income Tax	\$7.0	\$1.0	\$5.9
Sales & Use Tax (@6%)	\$17.9	\$2.6	\$15.2
Rooms & Meals Tax	\$55.1	\$4.4	\$50.7
Property Transfer Tax	\$2.3	NA	\$2.3
Other Taxes/Revenues	\$17.0	\$2.6	\$14.4
Total	\$99.3	\$10.6	\$88.7
Transportation Fund:			
Gasoline Tax	\$12.1	\$2.8	\$9.3
Motor Vehicle Purchase & Use Tax (@6%) [1]	\$1.0	\$0.2	\$0.9
Other Transportation Revenues	\$2.0	\$0.3	\$1.7
Total	\$15.1	\$3.2	\$11.9
Education Fund:			
Sales & Use Tax (@6%)	\$8.9	\$1.3	\$7.6
Motor Vehicle Purchase & Use Tax (@6%) [1]	\$0.5	\$0.1	\$0.4
State Education Property Tax	\$72.6	NA	\$72.6
Total	\$82.0	\$1.4	\$80.6
Total Combined Funds Revenue Impact	\$196.4	\$15.2	\$181.1
Notes:			

NA means Not Available [1] Includes Rental Portion Only

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#### **Conclusion**

Vermont is continues to demonstrate a strong attraction and high guality traveling experience for the leisure traveler. While the business traveler is an important segment (and appears ripe for future development), it is the leisure traveler who rules the day in the Vermont visitor market. When consuming local goods and services, expenditures from visitors draw additional monies into the statethereby resulting in significant economic gains for state residents. Visitors provide a unique opportunity to expand our tax base without increasing local taxation. By attracting out-of-state monies, as well as the retaining more of local Vermonters' leisure budget in-state, Vermont is able to cover the appropriations needs of state government without the need for new taxes. Visitor dollars create and support employment opportunities for the residents of Vermont. The availability of visitor related jobs also provide households with alternative sources of income and tend to have atypical work schedules which can be attractive to some of the state's labor force participants. The diversity of visitor related occupations enrich and enhance the sustainability of the economic climate for the state of Vermont. Continued support for marketing and promotion of the industry is important for the preservation of, as well as future growth of, the state's travel industry base.



#### The Impact of Heightened Homeland Security

Since 2000, worldwide international travel has increased by nearly 20%.<sup>1</sup> According to the U.S. Travel and Tourism Advisory Board, however, the United States' market share of these international tourists has declined from 9% in 2000 to 6% in 2005, an estimated loss of \$286 billion.<sup>2</sup> The good news is that the number of foreign visitors to the United States per year is approaching the pre-2001 level, at roughly 41.1 million in 2005 according to The Office of Travel and Tourism Industries. However, according to Geoffrey Freeman of the Discover America Partnership, "We actually have a 17 percent decline in travel from overseas, if you consider that the new numbers are driven largely by Canadians and Mexicans."

The U.S. Travel and Tourism Advisory Board, the Discover America Partnership and the U.S. Commerce Department agree that events resulting from the tragic terrorist attacks on September 11, 2001 are directly related to the decline in international visitors to the United States. United States security measures as well as their global actions have created the perception that the U.S. is difficult to visit and increased anti-American sentiment. Surveys conducted by the Pew Research Center show that the United States' global image is slipping.<sup>4</sup> Of the fifteen countries surveyed, four were among those countries with the greatest number of international visitors to the United States (excluding visitors from Canada and Mexico) in 2000. These include Japan, the United Kingdom, Germany, and France. Favorable opinions of the United States declined in all of these countries, as illustrated in the charts below.





In addition to this "global cooling" toward Americans and the United States in general, heightened security in the post-9/11 environment has also become a major factor impacting inbound international travel to the United States. The Travel and Tourism Advisory Board states, "Many legitimate potential international visitors now deliberately avoid travel to the United States due to real and perceived barriers to entry."<sup>2</sup> In a September 2006 report by the U.S. Travel and Tourism Advisory Board, it is reported that throughout the world there are long waits required for potential visitors to not only obtain a U.S. Visa, but also to obtain a Visa interview. The report states, "prospective visitors decide not to visit the U.S. due to lengthy waits for visa interviews, prohibitive costs and the sometimes extreme distances visitors must travel."

The Western Hemisphere Travel Initiative (the law which will require all people entering the U.S. – Canadians, Mexicans and returning Americans included – to have a passport or special ID card) is already beginning to affect travel across the U.S.-Canada and U.S.-Mexico borders. The Tourism Industry Association of Canada has stated that event planners are already hesitant to book cross-border events because they are unsure of what affect the Initiative will have on travel to future events.<sup>5</sup>

The Canadian Tourism Commission predicts that when the Initiative goes into effect the number of Canadian visitors to the U.S. will drop by 1.2 million trips per year, resulting in an estimated loss of CDN\$330 million in tourism dollars.<sup>6</sup> The Student and Youth Travel Association also believes that the Initiative will have a "dramatic" impact on the number of students and youths visiting the United States from Canada and Mexico.<sup>7</sup> In addition to the Western Hemisphere Travel

National Geographic Traveler ranked Vermont as among the world's Top 50 destinations in its Millennium Edition.



Initiative, there is also talk of eliminating the Visa Waiver Program (VWP) due to security concerns. The VWP currently allows citizens of 27 countries (including Japan, the United Kingdom, France, Germany, Spain and the Netherlands), roughly 10 million overseas visitors per year, to enter the U.S. with only a passport, eliminating the need to undergo screening for a U.S. visa.<sup>8</sup> Obviously, if this program were eliminated, it would have a negative impact on the number of visitors from these countries, at least for a time.

Currently, only 20% of Americans have passports while 50% of Canadians have passports.<sup>9</sup> Canadian citizens living in Canada can obtain passports for \$75USD for citizens ages 16 and over (\$32USD, children 3-15; \$19USD, children under 3 years). This means that a family of two adults and two children (aged over 3 years and under 16 years) would need to spend \$214USD on passports alone if planning a vacation to the United States -- assuming they did not already have passports. A trip of this nature would therefore also require some planning, as it takes a minimum of four weeks for processing to obtain a passport (unless people are willing to pay substantially more for express service). As last-minute travel is a trend on the rise, driven by the internet and faster-paced lives.<sup>10</sup> it is possible that Canadian travelers who would have visited the U.S. on vacation will choose either stay in Canada or go elsewhere in the future.

What does all of this mean for Vermont? In 2005. Vermont hosted over 2.6 million person trips from Canadian residents. Of this total, 1.9 million were day trips and the remaining 644 thousand included an overnight stay. As there is limited data available, it is difficult to determine just what impact the WHTI will have on Canadian visitation to Vermont. However, if the predictions of the Canadian Tourism Commission are correct, the U.S. could experience a decline of 1.2 million Canadian person trips, a decline of over 8% of the total Canadian visitors to the United States. Vermont experienced a similar decrease in Canadian visitor traffic, it would translate to 153 thousand fewer day trips and 52 thousand fewer overnight trips to Vermont from Canada per year. The total impact of such a decrease would be \$18.8 million less in visitor spending in the Vermont economy annually. As significant as those estimates seem, this impact is more likely than not a conservative estimate, considering the close proximity of the Canadian border and the importance of the Canadian visitor for the Vermont tourism industry. This suggests that a decline of between 10% to 20% in Canadian visitor activity is more likely in the short run while potential Canadian visitors to Vermont adjust to the new travel requirements. Such an impact would equate to between \$23.5 and \$47.0 million less in visitor spending reverberating through the local Vermont economy on an annual basis via the multiplier effect.

While this may seem discouraging for the United States' travel and tourism industry at first, it is important to recognize two important issues. First, as more people become accustomed to obtaining a passport and showing it at U.S. borders, it will become a more standard and familiar practice. As more people obtain passports, resistance will ebb and the number of Canadian and Mexican visitors to the United States will eventually return to their pre-initiative levels and likely eventually grow beyond. Secondly, the U.S. Travel and Tourism Advisory Board recognizes the need to increase the United States' share of overseas tourists and is in the process of implementing several steps toward first restoring and then building to such an end result.

In the U.S. Travel and Tourism Advisory Board's September 2006 report entitled "Restoring America's Travel Brand: National Strategy to Compete for International Visitors," several steps are identified as crucial to increasing the United States' share of international visitors. These include: (1) removing unnecessary travel barriers (such as extending the WHTI deadline, (2) improving and increasing overseas visa facilities, and maintaining and expanding the VWP, among others), (3) creating welcoming first impressions, providing for a "stronger voice" for travel and tourism in the government, and (4) avoiding taxes, fees and regulations that would be "inappropriate."<sup>2</sup> In this report, the Board also identifies the need for the United States to have a nationally-coordinated program to market itself to travelers worldwide. In the beginning of February 2007, the U.S. Department of Commerce dedicated an additional \$3.9 million to "create destination awareness, positive perception, and intent to travel to the United States."<sup>11</sup>

Additionally, there are groups of citizens who have organized in support of travel and tourism. One such group, Business for Diplomatic Action (BDA), seeks to improve America's image throughout the world and reverse the trend documented in the Pew study of the United States' slipping global image, or as BDA refers to it, "Anti-Americanism." BDA sees Anti-Americanism as "bad for business," for more than just travel and tourism-related issues – they also cite security and economic costs and the inability of American businesses to recruit the best and brightest workers from around the world.<sup>12</sup> While it remains to be seen just what affect heightened security will have on inbound travel to the United States in the next decade, or even the next few years, we can take consolation in the fact that while the numbers of international visitors to the United States experienced a decline in the past few years since 9/11, the data show that the total annual number of inbound international visitors has returned to approximately its pre-9/11 level with predictions of future growth.

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### **Changing Demographics**

Of changing demographics throughout the world, two segments are most notable when discussing their potential impact on the travel and tourism industry: (1) the aging population, or, baby boomers, and (2) the increasing number of Asian travelers.

Baby boomers are identified by travel and tourism organizations throughout the world as one of the most important target sectors of the industry. According to VisitScotland, the number of baby boomers in the UK will increase to make up 20% of the population in the next twenty years; the same segment in Germany will rise to 20% of the total population in the next ten years; by 2020, 20% of the total European population will be in the over 65 age category.<sup>1</sup> In the United States, baby boomers account for 16.8% of the population, and account for 18.4% of the Vermont population.<sup>2</sup>

These baby boomers have certain characteristics identified and agreed upon by various travel and tourism organizations. They are understood to be healthier than seniors of past generations and due to a "lifetime of consumerism"<sup>1</sup> are looking to spend their disposable income on "soft, accessible" leisure activities. The European Travel Commission (ETC) identifies baby boomers' as having an increasing demand for travel with luxury, convenience, security, and relaxation.<sup>3</sup> The ETC also states that as far as marketing to this sector, "less emphasis should be put on age and more on comfort." The Tourism Center at the University of Minnesota outlines that baby boomers are well-traveled, time-deprived, enjoy comfort and having fun, are willing to pay for luxury, expertise and convenience; it also mentions that for baby boomers, travel is a necessity, not a luxury. 50 Plus Market News adds "internet savvy" to the list of general baby boomer characteristics.<sup>4</sup>

In an April 2006 publication of *Travel Insights*,<sup>5</sup> the Travel Industry Association of America touched briefly upon two trends as highlighted by www.trendwatching.com. The first of these is a trend tied exclusively to baby boomers and is referred to as "maturialism," which is defined as " . . . 'mature' consumers pursuing a seemingly restrained 'best of the best' materialism . . . ditching mundane goods and services for more professional, premium or sassier versions."<sup>6</sup> The second trend highlighted is referred to as "massclusivity," which, although not a trend exclusively related to baby boomers, certainly overlaps. "Massclusivity" refers to the desire for exclusivity shared by many people.<sup>7</sup> Travelers seeking exclusivity are catered to by lounges in retail stores and members-only offerings, among other options. Here, baby boomers are no different from other travelers, all seeking respect and privilege.

The second demographic of significance here is the increasing number of Asian travelers. According to the Office of Travel & Tourism Industries (OTTI), in 2005



Asian visitors accounted for 12.5% of the total number of visitors to the United States, and 28.6% of the total number of overseas visitors (which excludes visitors from Canada and Mexico) to the United States.<sup>8</sup> The chart below shows the number of travelers to the U.S. from Asia annually over the period of 1998 to 2005. While the number of visitors from Asia declined overall in the 2000-05 period by -17.95%, the number of Asian visitors to the U.S. showed an annual increase of 15.96% between 2003-04, and an annual increase of 6.83% during the 2004-05 period.

Of these Asian travelers, the baby boomer generation is a large and growing segment. The United Nations Population Division has estimated that by 2050 the number of people over 60 in Japan will reach 40% of the population, while in industrialized countries as a whole it is expected to reach over 30% of the population.<sup>9</sup> According to the Pacific Asia Travel Association (PATA), Japan's baby boomer market is the largest, while the over-40 population is growing the


fastest in Hong Kong, Taipei and Korea.<sup>10</sup> According to Asian Demographics CEO, Dr. Clint Laurent, "China's one-child policy has created a numeric imbalance between older and younger generations in the same way that the Baby Boomers generation has in Japan."

The characteristics of the aging Asian population are similar to those of the Western baby boomers described above. These baby boomers view traveling as a necessity versus luxury, are internet savvy (it is estimated that more than 60% of these Asian baby boomers are online<sup>15</sup>), healthy, have high disposable incomes and demand higher quality goods and services. Also like the other baby boomers described above, these Asian travelers are following the trend of "massclusivity," preferring to travel on their own or with friends as opposed to traveling in organized groups or tours.<sup>7</sup>

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# Increased Energy Costs

As energy costs have risen over the past few years, there has been widespread speculation concerning the overall effect of increased energy costs on the travel and tourism industry. Specifically, there are concerns that the increase in the cost of energy has or will contribute to a slowdown in industry activity. In the presence of higher energy prices, this reasoning goes,, fewer people are willing to travel longer distances, the length of trips may be shortened, and visitors may be more frugal with their spending as they spend greater portions of their trip budget on energy costs. While it does seem logical that an increase in the cost of energy would have this effect on visitor spending, for visitors while they are on their trips, high energy prices do not seem to be discouraging travelers from planning trips or vacations as of this time.<sup>1</sup>

According to the Air Transport Association, fuel - not labor - is now the greatest operating cost faced by the airline industry, at 20-30% of total operating expenses.<sup>2</sup> As Terry Trippler, and airline expert, was quoted in May 2006 regarding air passengers, "They just keep booking; it's really amazing. We're looking at a summer of 2000 almost – back to record levels."<sup>3</sup> In the same article by the Air Transport Association, airlines have not been able to successfully increase ticket prices that make up for the increase in jet fuel because consumers will not pay the price – because the traveling public expects lower prices or they will find alternative methods of travel.<sup>2</sup>

In November 2006, the U.S. Commerce Department projected record receipts and arrivals from inbound international visitors, with projections exceeding record arrivals in 2000—in a time of high energy prices. The Department predicts a 28% increase to 63 million in inbound international visitors over the 2005-2010 time period, with the largest amount of visitor growth projected to come from Canada and Mexico.<sup>4</sup>

Worldwide, the World Tourism Organization expects that the 2020 Vision forecast will be maintained – with international arrivals reaching 1.6 billion worldwide (this includes 1.2 billion intraregional international visitors and 378 million visitors traveling farther distances).<sup>5</sup> Abacus International, the leading travel agency for Asia and the Pacific also reported in August 2006 that the demand for travel seems fairly inelastic, with total booking up almost every month, and projected 4-6% growth in travel bookings across the Asia-Pacific region for 2006.<sup>6</sup> All of this appears to be occurring during a period of high and volatile energy prices.

While the global and national travel activity have demonstrated resilience to the recent energy price increases, Vermont's visitors do appear to be impacted by high energy prices in their travel spending patterns. Being a rural state with limited airline infrastructure, the majority of Vermont's primary market area uses

motor vehicles to travel to Vermont's destinations. In fact, 75% of out-of-state visitors to Vermont surveyed reported using a personal vehicle as their primary form of transportation. This data is further supported and quantified by recent survey data collected in the Domestic Visitor Survey 2005. In this survey, out of state visitors to Vermont reported a significant increase in transportation costs (the primary component of which is gasoline expenses) over the levels reported in the previous 2003 benchmark study. Out-of-state overnight visitors surveyed reported spending \$11.91 in 2003 on transportation expenses compared to \$30.61 in 2005. This represents an increase of 157% over the two year period. Out-of-state day visitors reported comparable levels of transportation expense increases from 6.97 to 16.51 in 2003 and 2005, respectively – a 137% increase. It is important to note that even the presence of heightened energy prices, both overnight and day visitors reported their total spending was not materially impacted by high energy prices. However, visitors did note that high energy prices did impact the relative amounts spent on items within their total budget. As such, even though their total vacation budget remained stable. visitors reported they devoted a much larger share of their travel budget to fuel, representing a significant shift of dollars from one visitor related spending category to another. One of the most notable reductions in visitor spending in 2005 was the concurrent decline visitor expenditures for "Shopping & Recreation" as fuel expenditures increased. Both overnight visitors and day visitors reported a significant decrease in expenditures in this category, totaling 47% and 37% of each visitor category, respectively.

The down stream effect of this shift in visitor spending away from local-oriented shopping and recreation expenditures towards less locally-connected fuel expenditures is a negative from an economic contribution perspective. In Vermont, the economic linkages associated with shopping and recreation are significantly higher than fuel expenditures. As a region, Vermont does not specialize in the production or refining of gas and oil products. Therefore money diverted to these commodities quickly leak outside the state's economy. Conversely, dollars spent on shopping and recreation in Vermont are retained to a much higher degree locally and these expenditures tend to reverberate through the local economy for a longer period of time stimulating the economic multiplier effect of those expenditures. So while the visitor to Vermont has shown and is predicted to continue to display significant resolve in the face of higher energy prices by forging ahead with Vermont travel plans, survey data does suggest that the changing distribution of those expenditures packed a somewhat reduced local economic impact "punch" for each visitor dollar spent relative to a visitor dollar spent in calendar 2003.

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This study follows the methodology and therefore the sources referenced in the 2003 Tourism Benchmark Study performed by EPR. In addition, the following websites provided information on tourism and economic trends:

<u>www.bea.gov;</u> Bureau of Economic Analysis <u>www.census.gov;</u> United States Census Bureau <u>www.tinet.ita.doc.gov;</u> Office of Travel & Tourism Industries <u>www.tia.org;</u> Travel Industry Association <u>www.bls.gov;</u> Bureau of Labor Statistics

# Appendix II: Glossary and Summary of Common Definitions

## Part A: Glossary

#### **Activities**

The category of activities or pursuits that visitors undertake while visiting a place such as skiing, boating, and/or shopping.

#### **Purpose**

Refers to one of three categories describing the person's overall reason for taking a trip or making a visit. These three categories include Leisure, Business and Personal Business.

#### Trip or visit

The act of undertaking travel outside of the person's normal routine.

#### Traveler/Visitor

A traveler/visitor is any person traveling to a place outside of his/her normal commuting pattern for the primary purpose of leisure, business or personal business. There is no minimum length of stay but the visitor should not be at the destination for longer than a year. A visitor may or may not be compensated for making the trip but may not be remunerated from within the place visited. Travelers passing through a place en route to their final destination are also visitors.

#### **Overnight-Traveler/Visitor**

An overnight-traveler/visitor is a visitor to a place with a stay including at least one overnight period.

#### Day-Traveler/Visitor

A day-traveler/visitor is a visitor who does not stay overnight.

#### Household

Includes all persons who occupy a house, apartment, or other living quarters.

#### **Travel Party**

One or more persons traveling together as a group. Households traveling as a group are referred to as a household travel party.

#### **Person Trip**

A person on a trip. The total number of person trips is determined by multiplying the number persons in a travel party by one. That is 3 person trips may be 3 people traveling as a travel party for one trip or a single person traveling at three different times.

#### Length of stay

In the case of overnight trips, length of stay is defined by the number of nights spent on the entire trip. In the case of day travelers, length of stay is defined a one day even when the visit may be for only a portion of a day.

#### Lodging

May refer to overnight accommodations such as a hotel, motel or bed and breakfast, a condominium or time share unit, a private home, a recreational vehicle or tent, or other place were a visitor spends the night. Commercial lodging refers to accommodations where a usage fee is charged, such as hotels, private campgrounds, or inns. Non-commercial lodging includes staying with friends and family, the use of a private home, or any other form of accommodation where a fee is not charged.

#### **Business Traveler**

A person or party traveling where the purpose is primarily for business such as a conference, business meeting or sales call. See purpose above.

#### Leisure Traveler

A person or party traveling where the purpose is primarily for leisure such as a vacation, get away or recreation. See purpose above.

#### Personal Business Traveler

A person or party traveling where the purpose in primarily for personal business such as to attend a family function or deal with family affairs. See purpose above.

#### **Tourist**

The tourist is synonymous with the definition of the leisure traveler.

#### **Economic Activity**

Is generated when an individual spends money to undertake or participate in an activity. Economic activity is generated by visitor and resident population expenditures.

#### **Economic Impact**

Is generated by <u>visitor</u> spending where visitor spending is the incremental portion of economic activity to the local economy that is new to the local region—includes spending by the resident population acting as a visitor that would not have otherwise occurred or would have occurred outside of the region.

#### Export Component

Identifies that portion of the economic impact that is attributable to visitors from outside of the region—i.e. excludes spending by the resident population acting as a visitor.

#### In State Visitor

A person whose main residence is in Vermont.

#### **Out of State Visitor**

A person whose main residence is outside Vermont. This includes US, Canadian and international visitors.

#### **Domestic Visitor**

A person whose main residence is outside of Vermont but still within the US.

#### International Visitor

Includes visitors from all countries outside the US EXCEPT Canada.

#### **Foreign Visitor**

Includes visitors from all countries outside the United States.

#### **Direct Impact**

Refers to the effect that visitor expenditures such as for lodging, meals and food, entertainment, transportation and retail purchases such as clothing, recreational equipment, and gifts has on the Vermont economy while on a trip to Vermont. This impact includes expenditures made only in Vermont thereby excluding spending by the visitor at their place of origin in anticipation of travel or while traveling en-route to Vermont.

#### Indirect Impact

Commonly referred to as the multiplier effect of an industry, this category refers to all economic activity that occurs because of direct visitor spending but falls outside of the business activity that occurs to specifically meet the needs and wants of visitors. For example, an indirect effect could include the purchase of supplies by a supermarket in a resort community to provide food for the family of a worker employed at a regional resort.

## Part B: Summary of Common Definitions of Traveler/Visitor

For purposes of determining economic activity and impact on the Vermont economy, the following definitions are employed. For a more comprehensive discussion of definitions including a review of these definitions in the context of past bodies of research, please reference Appendix II of the "2003 Vermont Tourism Benchmark Study" as prepared by Economic & Policy Resources, Inc.

#### "Traveler/Visitor"

A traveler/visitor is any person traveling to a place outside of his/her normal commuting pattern for the primary purpose of leisure, business or personal business. There is no minimum length of stay but the visitor should not be at the destination for longer than a year. A visitor may or may not be compensated for making the trip but may not be remunerated from within the place visited. Travelers passing through a place en route to their final destination are also visitors.

#### "Overnight-Traveler/Visitor"

An overnight-traveler/visitor is a visitor to a place with a stay including at least one overnight period.

#### "Day-Traveler/Visitor"

A day-traveler/visitor is a visitor to a place with a stay of less than one day.

Travelers/Visitors may be further defined by many other criteria including but not limited to the purpose of their travel, the activities they participate in and/or the type of lodging used. Inclusion in these categories is not exclusive.

The primary purpose of a visitor's travel is of great importance and adds clear definition to the visitor and their motives for travel. This body of work follows the definitions of purpose from the American Travel Survey typology. There are three categories that define a visitor by purpose:

- Leisure: Travel taken to pursue a primary activity such as rest and relaxation, visiting friends and family, outdoor recreation, or entertainment/sightseeing. A leisure traveler/visitor may be referred to as a "tourist."
- Business: Travel taken to pursue a primary activity such as attending conferences or for a business purpose other than commuting to and from work.
- Personal Business: Travel made for personal reasons or family business. Travelers/visitors may be further categorized as destination travelers/visitors or pass-through travelers/visitors.

#### **Destination Traveler/Visitor**

A Destination Traveler/Visitor is the one identifying the reference place as the intended destination. In this study, a visitor whose goal is to visit Vermont is a destination traveler/visitor once they reach Vermont.

#### Pass-through Traveler/Visitor:

A Pass-through Traveler/Visitors may be an overnight or day traveler/visitor in a place but is en-route to another place. In this study, a visitor from Quebec en-route to Massachusetts who stops off for lunch and gas in Vermont is a pass-through traveler/visitor.

# Appendix III: The REMI Input/Output Model

#### **REMI Model**

The REMI model is a structural model, meaning that it clearly includes cause-and-effect relationships. The model shares two key underlying assumptions with mainstream economic theory: *households maximize utility* and *producers maximize profits*.

In the model, businesses produce goods to sell to other firms, consumers, investors, governments and purchasers outside the region. The output is produced using labor, capital, fuel and intermediate inputs. The demand for labor, capital and fuel per unit output depends on their relative costs, since an increase in the price of any one of these inputs leads to substitution away from that input to other inputs. The supply of labor in the model depends on the number of people in the population and the proportion of those people who participate in the labor force. Economic migration affects the population size. People will move into an area if the real after-tax wage rates or the likelihood of being employed increases in a region.

Supply and demand for labor in the model determine the wage rates. These wage rates, along with other prices and productivity, determine the cost of doing business for every industry in the model. An increase in the cost of doing business causes either an increase in price or a cut in profits, depending on the market supplied by local firms. This market share combined with the demand described above determines the amount of local output. Of course, the model has many other feedbacks. For example, changes in wages and employment impact income and consumption, while economic expansion changes investment and population growth impacts government spending.

#### Model Overview

Figure 1 is a pictorial representation of the model. The Output block shows a factory that sells to all the sectors of final demand as well as to other industries. The Labor and Capital Demand block shows how labor and capital requirements depend on both output and their relative costs. Population and Labor Supply are shown as contributing to demand and to wage determination in the product and labor market. The feedback from this market shows that economic migrants respond to labor market conditions. Demand and supply interact in the Wage, Price and Profit block. Once prices and profits are established, the determine market shares, which along with components of demand, determine output.



The REMI model brings together all of the above elements to determine the value of each of the variables in the model for each year in the baseline The model forecasts. includes all the interindustry relationships that are in an input-output model in the Output block, but goes well beyond the input-output model by including the relationships in all of the other blocks shown in Figure 1.

In order to broaden the model in this way, it was necessary to estimate key relationships. This was accomplished by using extensive data sets covering all areas of the country. These large data sets and two decades of research effort have enabled REMI to simultaneously maintain a theoretically sound model structure and build a model based on all the relevant data available.

The model has strong dynamic properties, which means that it forecasts not only what will happen, but when it will happen. This results in longterm predictions that have general equilibrium properties. This means that the long-term properties of general equilibrium models are preserved without sacrificing the accuracy of event timing predictions and without simply taking elasticity estimates from secondary sources.

#### Understanding the Model

In order to understand how the model works, it is critical to know how the key variables in the model interact with one another and how policy changes are introduced into the model. To introduce a policy change, begin by formulating a policy question. Next, select a baseline forecast which uses the baseline assumptions about the external policy variables and then generate an alternative forecast using an external variable set that includes changes in the external values, which are affected by the policy issue.



Figure 2 shows how this process would work for a policy change called Policy X.

In order to understand the major elements in the model their and interactions. subsequent sections examine the various blocks and their important variable types, along with their relationships to each other and to other variables in the other blocks. The only variables discussed are those that interact with each other in the model. Variables determined outside of the model include:

• Variables determined in the U.S. and world economy (e.g., demand for computers).

• Variables that may change and affect the local area, but over which the local area has no control (e.g., an increase in international migration).

• Variables that are under control of local policy (e.g. local tax rates).

For simplicity, the last two categories are called policy variables. Changes in these variables are automatically entered directly into the appropriate place in the model structure. Therefore, the diagram showing the model structure also serves as a guide to the organization of the policy variables (see Figure 3 on page X).

#### **Output Block**

The Output Block variables are:

- State and Local Government Spending
- Investment
- Exports

- Consumption
- Real Disposable Income

These variables interact with each other to determine output and also depend on variable values determined in other blocks as follows:

Variables in the output block	Variables outside of the output block that are included in its determinants
State and local government spending	Population
Investment	Optimal capital stock (also the capital stock)
Output	Share of the local market (the proportion of local demand supplied locally, also, the Regional Purchase Coefficient)
Exports	The regional share of interregional and international trade
Real disposable income	Employment, wage rates, and the Consumer Expendidtre Price Index (CPI)

#### Labor and Capital Demand Block

The Labor and Capital Demand block has only three types of key variables:

- Employment determined by the labor/output ratio and the output in each industry, determined in the Output block.
- Optimal Capital Stock depends on relative labor, capital and fuel costs and the amount of employment.
- Labor/Output Ratio depends on relative labor, capital and fuel costs.

Simply put, if the cost of labor increases relative to the cost of capital, the labor per unit of output falls and the capital per unit of labor increases.

#### **Population and Labor Supply Block**

The model predicts population for 600 cohorts segmented by age, ethnicity and gender. This block also calculates the demographic processes - births, deaths and aging. The model deals with different population sectors as follows:

- Retired Migrants are based on past patterns for each age cohort 65 and over. International migrants follow past regional distributions by country of origin.
- Military and college populations are treated as special populations that do not follow normal demographic processes.
- Economic migrants are those who are sensitive to changes in quality of life and relative economic conditions in the regional economies.
- The economic variables that change economic migration are employment opportunity and real after-tax wage rates.

This block allows determination of the size of the labor force by predicting the labor force participation rates for age, ethnicity and gender cohorts, which are then applied to their respective cohorts and summed. The key variables that change participation rates within the model are the ratio of employment to the relevant population (labor market tightness) and the real after-tax wage rates.

#### Wage, Price and Profit Block

Variables contained within the Wage, Price and Profit block are:

- Employment Opportunity
- Wage Rate
- Production Costs
- Housing Price
- Consumer Price Deflator
- Real Wage Rate
- Industry Sales Price
- Profitability

The wage rate is determined by employment opportunity and changes in employment demand by occupation for occupations that require lengthy training. The housing price increases when population density increases. The Consumer Expenditure Price Index is based on relative commodity prices, weighted by their share of US nominal person consumption expenditures. The model uses the price index to calculate the real aftertax wage rate for potential migrants that includes housing price directly, while the price index used to deflate local income uses the local sales price of construction.

Wage rates affect production costs, as well as other costs, and they in turn determine profitability or sales prices, depending on whether the type of industry involved serves mainly local or external markets. For example, a cost increase for all local grocery stores results in an increase in their prices, while an increase in costs for a motor vehicle factory reduces its profitability of production at that facility but may not increase their prices worldwide.

#### Market Shares Block

The Market Shares Block consists of:

- Share of Local Market
- Share of External Market

An increase in prices leads to some substitution away from local suppliers toward external suppliers. Also, a reduction in profitability for local factories leads to less expansion of these factories relative to those located in areas where profits have not decreased. These responses occur because the US is an open economy where firms can move to the area that is most advantageous for their business.

#### The Total Model

Figure 3 illustrates the total model and its components and linkages. This diagram is helpful in order to understand the complex relationships shared by variables within the various blocks discussed above, as well as their relationships to variables in other blocks.



# Appendix IV: Updated Research Design

## Introduction

Building off the extensive knowledge base obtained during the 2003 Tourism Benchmark Study, this section provides a brief explanation of updated processes, revisited estimation techniques and data sources, as well as improvements to overall methodology. For a comprehensive review of the original "best practices" developed in the 2003 Benchmarking Study, please see Appendix IV of that document. Included as part of Appendix IV from the 2003 study are sections detailing the technical aspects of the reconciliation work performed. The reader should know that the same level of due-diligence with respect to the estimating and analysis methodologies was exercised in this latest 2005 benchmark study as was exercised in the 2003 benchmark study. The details of these methodologies are not reproduced here again in this study for redundancy purposes. Readers that are interested in the details of the estimating and analysis methods employed in this study should consult the 2003 study for those technical details. It should be noted that several tables originally incorporated into the 2003 technical appendices have been included in the main text of this report thereby allowing the reader access to the same level of numeric and analytical detail, but without the sometimes obscuring technical explanation.

The basic steps involved in conducting/updating the research design used in this study:

1. Update Background Research: Since last revisited during the 2003 Benchmark Study, an extensive literature search was undertaken to update current "best practices" regarding estimation and measurement of tourism activities relevant to state and regional economies. Previously relied upon data sources were updated for the most current information. New data sources from recognized sources were inventoried and evaluated for quality and relevance to the defined scope of work. Proposed changes to the previous methodology were explored and discussed. Of significant consequence was the restructuring of Travel Industry Association (TIA) as it specifically related to its service "TravelScope". In the 2003 Benchmark Study, "TravelScope" provided estimates of domestic visitors to the State of Vermont. Due to the elimination of these services, TIA could no longer provide visitation estimates consistent with the definitions and methodology established in the 2003 Benchmark Study. Numerous alternative services were investigated and analyzed until it was determined that comparable estimates and measures of domestic visitor activity could be obtained through Taylor Nelson Sofres PLC (or TNS). As is discussed below, TNS played an important role in collecting primary data of visitors to Vermont (see reference #3).

- 2. Update Industry Inventory of Resort/Lodging Properties and Other Services-Providing Establishments to reference year 2005.
- 3. Primary Data Collection/Survey: Three surveys were conducted under this part of the study design. The first survey was pertained to domestic visitors to the State of Vermont in calendar year 2005 as determined by a pre-gualifying screener question prepared by TNS. Using this panel of domestic visitors to Vermont gathered by TNS, a more in depth follow-up survey was implemented to capture trip party information including party size, length of stay, expenditure patterns and other assorted metrics as relevant to this analysis. This "Domestic Visitor Survey" replaced a significant amount of previously collected University of Vermont (UVM) data originally employed in the 2003 Benchmark Study. The second survey performed to assist in this analysis was a repeat of the 2003 and 2004 "Establishment Survey". Minor adjustments were made to the survey instrument based on acquired knowledge and participant feedback. The third and last survey conducted was the "Friends and Family Survey". This third survey was developed to gain important information from Vermont households regarding: (1) the incidence and demographics of visitors to the homes of Vermonters, and (2) their own in-Vermont tourism-recreation activities. This survey was administered in the same manner as performed for the 2003 Benchmark Study.
- 4. Data Reconciliation: As in the first study, the independent reconciliation of multiple data sources both primary and secondary is an integral party of a comprehensive and accurate analysis. Consistent with the 2003 Benchmark Study, the research design was to approach the activity estimates of each segment of the tourism industry and the measures of economic importance of the industry from a number of different directions—looking for a congruence of independent data and analysis work.
- 5. Update Visitor Expenditure Estimation: Similar to the 2003 study, the research team gathered and assed expenditure survey data from numerous third party sources. As described above, previously utilized data collected by UVM was replaced with primary data collected via surveys designed for the 2005

Benchmark Study. As before, data was segmented into a prototypical visitor typology and reconciled with the surveys above and national and segment specific data to produce the most reliable estimates of expenditure by broad visitor segment.

- 6. Updates to Estimates of Visitor Incidence/Frequency based on newly collected and formulated data.
- Expenditure Compilations derived from estimated visitation and expenditure data grouped by visitor segments – such as origin, type and/or activity.
- Dynamic Input/Output Modeling: Using the REMI Input/Output model, total direct tourism spending impacts by broad category were examined for indirect and induced impact by modeling the flow of expenditures through the Vermont economy.
- 9. Tabulation-Analysis of Results.
- 10. Industry Estimate of Relative Contribution to the State Economy.

Appendix V: Surveys and Survey Methodology

# Table of Contents:

Appendix V: Surveys and Survey Methodology	61
Table of Contents:	62
Part I:	Domestic Visitors
A. Methodology Brief	
B. Domestic Visitor Survey Instrument	
Target Metrics	
Questionnaire	
Part II: Establishments A. Methodology Brief	
B. Establishment Survey Instrument	
Establishment Survey Enails Establishment Survey Telephone Scripts	
Part III:	Friends and Family
A. Methodology Brief	
B. Friends and Family Survey Instrument	
Main Questionnaire	
Section II: Day Trips Section III: Overnight Trips	
Section IV: Visitors to Vermont Staying with Family and Friends	
Section V: Demographic Profiles	110

# Part I: Domestic Visitor Survey

### A. Methodology Brief

VDTM 2005 Domestic Visitor Issued: 04/14/06 (Version 2)

This document is intended to serve as a point of reference to the research methodology used for the VDTM 2005 Domestic Visitor Study as commissioned by VDTM for the 2006 Tourism Research Project. To this end, this document contains the following 6 sections:

#### Section Overview

- 1. Sample Frame Definitions
- 2. Sampling Methodology
- 3. Questionnaire Items
- 4. Data Collections
- 5. Analysis
- 6. Summary of Results

#### 1. Sample Frame Definition

The target population of this research segment is identified as *Domestic Visitors*. A *Domestic Visitor* is any United States resident who lives in a US state other than Vermont and visited Vermont one or more times in 2005.

#### 2. Sampling Methodology

A random sample of Domestic Visitors was drawn through a two-stage data collection process. First, the TNS TravelScope omnibus was used to identify US residents who visited Vermont in 2005. Second, these Domestic Visitors were then be sent a follow-up survey to gathering detailed information about their trip(s) to Vermont in 2005.

#### 3. Questionnaire Items

Questionnaire data is located in section G. Domestic Visitor Survey Instrument below.

#### 4. Data Collection

Data collection was conducted from February 9 to February 23, 2006. A total of 578 web surveys were completed. The average interview length was 6.5 minutes.

Respondents were split almost evenly between men (46%) and women (54%).

#### 5. Analysis

The data was organized into segments for analysis including:

- Day vs. overnight visitors to Vermont in 2005
- Seasonality of visitors to Vermont in 2005
- Lodging type
- Trip type (leisure, personal business, business)

All variables were reported as a direct percentage or as an average depending on the nature of the variable. The Inter Quartile Range was calculated and any data points greater than 1.5\*IQR from  $Q_3$  were removed as outliers. All zero responses were used as a base calculation for frequency (i.e., 95% reported spending money on groceries) and the average score was then based on all responses greater than zero. Average scores were reported as median, mean, mode, and standard deviation. Confidence intervals were calculated for each average score at the 95% confidence level.

The following pages provide an overview of the raw research findings overall (Table 1).

#### 6. Summary of Results

In 2005, the Vermont Department of Tourism and Marketing commissioned Economic and Policy Resources of Williston, Vermont and Portland Research Group of Portland, Maine to undertake a comprehensive economic assessment that benchmarks the Vermont travel industry. The primary objectives of this benchmark study were to A) Improve understanding of the economic function of the tourism industry in Vermont, B) Assist the industry to direct marketing resources toward the best and most profitable visitor prospects, and C) Facilitate future economic development policy discussions related to the industry.

To this end, domestic non-routine resident activates were identified as contributing to the Vermont tourism economy. Therefore, a web survey was conducted to measure the dynamics and extent of this economic contribution.

#### Research Methodology

Vermont visitors were contacted as part of the TNS Travels America panel survey. The email interview targeted any individual over the age of 18 who had visited Vermont for the past 6 or more consecutive months. A *Visitor* was defined as any person who either spent the day in Vermont, or the night at the home of a Vermont resident or commercial lodging establishment while on a non-routine trip in Vermont. Data collection was conducted from February 9, 2006 to February 23, 2006. A total of 578 web surveys were completed. Respondents were split almost evenly between men (46%) and women (54%).

#### Research Findings

Half of respondents (48%) took a day trip to Vermont in 2005, while fourfifths (80%) stayed overnight. The majority of visitors (88%) reported traveling to Vermont for leisure, while less than ten percent each reported visiting to conduct personal business (7%) or business (4%).

#### Daytrips

Overall, visitors were most likely to take a day trip to Vermont in August (31%), September (29%) or October (29%). Respondents averaged 258.79 miles during a typical day trip, and brought an average of 2.20 people with them. The majority of daytrippers (96%) reported spending money while in Vermont, totaling an average of \$118.62, with purchases including items such as prepared meals (90%) and gasoline (84%).

## **Overnight Trips**

Overnight visitors to Vermont were most likely to report a visit in August (25%), October (23%) or September (21%) with an average of 2.22 people in their party. Three-quarters (76%) reported traveling to Vermont in their own vehicle, and traveled an average total of 414.03 miles during their trip. Nearly two-thirds (63%) stayed in commercial lodging such as a hotel or motel (70%), while more than two-fifths stayed with friends and family (44%). Similar to day trippers, the majority of overnight visitors (96%) spent money while in Vermont, totaling \$307.98 during a typical trip.

Survey Reference		Research Findings						
ID	Variable	n	Freq.	Median	Mean	Mode	Stan Dev	Conf.
Q1	Took day trips to Vermont	578	48%					
Q2_Jan_1	Took day trips in January	279	14%					
Q2_Jan_2	Number of day trips in January	34		1.00	1.29	1.00	0.58	0.19
Q2_Feb_1	Took day trips in February	279	15%					
Q2_Feb_2	Number of day trips in February	37		1.00	1.30	1.00	0.57	0.18
Q2_Mar_1	Took day trips in March	279	14%					
Q2_Mar_2	Number of day trips in March	34		1.00	1.15	1.00	0.36	0.12
Q2_Apr_1	Took day trips in April	279	14%					
Q2_Apr_2	Number of day trips in April	36		1.00	1.22	1.00	0.48	0.16
Q2_May_1	Took day trips in May	279	20%					
Q2_May_2	Number of day trips in May	49		1.00	1.18	1.00	0.49	0.14
Q2_Jun_1	Took day trips in June	279	23%					
Q2_Jun_2	Number of day trips in June	57		1.00	1.19	1.00	0.44	0.11
Q2_Jul_1	Took day trips in July	279	24%					
Q2_Jul_2	Number of day trips in July	57		1.00	1.12	1.00	0.33	0.09
Q2_Aug_1	Took day trips in August	279	31%					
Q2_Aug_2	Number of day trips in August	66		1.00	1.00	1.00	0.00	0.00
Q2_Sep_1	Took day trips in September	279	29%					
Q2_Sep_2	Number of day trips in September	69		1.00	1.30	1.00	0.65	0.15
Q2_Oct_1	Took day trips in October	279	29%					
Q2_Oct_2	Number of day trips in October	73		1.00	1.30	1.00	0.57	0.13
Q2_Nov_1	Took day trips in November	279	19%					
Q2_Nov_2	Number of day trips in November	39		1.00	1.00	1.00	0.00	0.00
Q2_Dec_1	Took day trips in December	279	22%					
Q2_Dec_2	Number of day trips in December	58		1.00	1.29	1.00	0.59	0.15
Q3	Avg # of People in Party for a typical day trip	264		2.00	2.20	2.00	0.83	0.10
Q4	Total vehicle miles for a typical day trip	263		200.00	258.79	200.00	173.81	21.01
Q5_1	Spent money during a typical day trip	279	96%					
Q5_2	Amount spent during a typical day trip	243		100.00	118.62	50.00	82.85	10.42
Q6a_1	Spent money on prepared meals and beverages (typical day trip)	268	90%					
Q6a_2	Amount spent on prepared meals and beverages (typical day trip)	227		40.00	46.22	50.00	33.40	4.34
Q6b_1	Spent money on grocery food items (typical day trip)	268	43%					
Q6b_2	Amount spent on grocery food items (typical day trip)	102		15.00	19.18	10.00	14.26	2.77
Q6c_1	Spent money on shopping (typical day trip)	268	55%					
Q6c_2	Amount spent on shopping (typical day trip)	137		30.00	42.97	50.00	33.33	5.58
Q6d_1	Spent money on gas for vehicle (typical day trip)	268	84%					
Q6d_2	Amount spent on gas for vehicle (typical day trip)	202		25.00	30.59	20.00	17.11	2.36
Q6e_1	Spent money on recreation and entertainment (typical day trip)	268	33%					
Q6e_2	Amount spent on recreation and entertainment (typical day trip)	78		30.00	39.15	20.00	35.51	7.88
Q6f_1	Spent money on other transportation (typical day trip)	268	16%					
Q6f_2	Amount spent on other transportation (typical day trip)	37		15.00	19.76	20.00	16.69	5.38
Q7/Q8	Number of people day trip expenditures tend to cover	247		2.00	1.72	2.00	0.61	0.08

# Table 11: Overall Domestic Visitor Trip Activity

Q9	Took overnight trips to Vermont	578	80%					
Q10_Jan_1	Took overnight trips in January	461	11%					
Q10_Jan_2	Number of overnight trips in January	38		1.00	1.00	1.00	0.00	0.00
Q10_Feb_1	Took overnight trips in February	461	12%					
Q10_Feb_2	Number of overnight trips in February	45		1.00	1.00	1.00	0.00	0.00
Q10_Mar_1	Took overnight trips in March	461	10%					
Q10_Mar_2	Number of overnight trips in March	38		1.00	1.00	1.00	0.00	0.00
Q10_Apr_1	Took overnight trips in April	461	11%					
Q10_Apr_2	Number of overnight trips in April	39		1.00	1.00	1.00	0.00	0.00
Q10_May_1	Took overnight trips in May	461	14%					
Q10_May_2	Number of overnight trips in May	52		1.00	1.00	1.00	0.00	0.00
Q10_Jun_1	Took overnight trips in June	461	15%					
Q10_Jun_2	Number of overnight trips in June	53		1.00	1.00	1.00	0.00	0.00
Q10_Jul_1	Took overnight trips in July	461	16%					
Q10_Jul_2	Number of overnight trips in July	57		1.00	1.00	1.00	0.00	0.00
Q10_Aug_1	Took overnight trips in August	461	25%					
Q10_Aug_2	Number of overnight trips in August	99		1.00	1.00	1.00	0.00	0.00
Q10_Sep_1	Took overnight trips in September	461	21%					
Q10_Sep_2	Number of overnight trips in September	75		1.00	1.00	1.00	0.00	0.00
Q10_Oct_1	Took overnight trips in October	461	23%					
Q10_Oct_2	Number of overnight trips in October	79		1.00	1.00	1.00	0.00	0.00
Q10_Nov_1	Took overnight trips in November	461	13%					
Q10_Nov_2	Number of overnight trips in November	49		1.00	1.00	1.00	0.00	0.00
Q10_Dec_1	Took overnight trips in December	461	16%					
Q10_Dec_2	Number of overnight trips in December	61		1.00	1.00	1.00	0.00	0.00
Q11	Avg # of People in Party for a typical overnight trip	418		2.00	2.22	2.00	0.84	0.08
Q12a	Own auto/truck was primary transportation to Vermont (overnight trip)	461	76%					
Q12b	Rental car was primary transportation to Vermont (overnight trip)	461	9%					
Q12c	Camper/RV was primary transportation to Vermont (overnight trip)	461	2%					
Q12d	Ship/boat was primary transportation to Vermont (overnight trip)	461	<1%					
Q12e	Airplane was primary transportation to Vermont (overnight trip)	461	9%					
Q12f	Bus/motor coach was primary transportation to Vermont (overnight trip)	461	<1%					
Q12g	Train was primary transportation to Vermont (overnight trip)	461	1%					
Q12h	Something else was primary transportation to Vermont (overnight trip)	461	2%					
Q13	Total vehicle miles for a typical overnight trip	364		350.00	414.03	300.00	238.27	24.48
Q14	Stayed with family or friends during an overnight trip	461	44%					
Q15_trips	Number of times stayed with family or friends	176		1.00	1.51	1.00	0.81	0.12
Q15_nights	Overall number of nights stayed with family or friends	189		3.00	3.05	2.00	1.80	0.26
Q16	Stayed in a commercial lodging establishment	461	63%					
Q17a	Stayed in a hotel or motel	291	70%					
Q17a_trips	Number of times stayed in a hotel or motel	157		1.00	1.00	1.00	0.00	0.00
Q17a_nights	Overall number of nights stayed in a hotel or motel	189		2.00	2.20	1.00	1.26	0.18
Q17b	Stayed in an inn or bed and breakfast	291	22%					
Q17b_trips	Number of times stayed in an inn or bed and breakfast	53		1.00	1.00	1.00	0.00	0.00
Q17b_nights	Overall number of nights stayed in an inn or bed and breakfast	55		2.00	2.02	2.00	0.83	0.22
Q17c	Stayed in a rental home or condominium	291	14%					
Q17c_trips	Number of times stayed in a rental home or condominium	33		1.00	1.00	1.00	0.00	0.00
Q17c_nights	Overall number of nights stayed in a rental home or condominium	40		4.50	4.83	4.00	2.55	0.79

Q17d       Stayed in a campground park       29         Q17d_trips       Number of times stayed in a campground park       21         Q17d_nights       Overall number of nights stayed in a campground park       21	91 20 22	8% 	 1.00	 1 00			
Q17d_trips Number of times stayed in a campground park 22 Q17d_nights Overall number of nights stayed in a campground park 22	20 22		1.00	1.00			
O17d nights Overall number of nights staved in a campground park	2 <u>2</u>			1.00	1.00	0.00	0.00
<b>z</b>	61		3.00	3.09	1.00	2.18	0.91
Q18_1 Spent money during a typical overnight trip 46	:01	96%					
Q18_2 Amount spent during a typical overnight trip 41	17		250.00	307.98	200.00	253.43	24.32
Q19a_1 Spent money on prepared meals and beverages (typical overnight trip) 44	43	85%					
Q19a_2 Amount spent on prepared meals and beverages (typical overnight trip) 35	57		75.00	89.98	50.00	69.30	7.19
Q19b_1 Spent money on grocery food items (typical overnight trip) 44	43	58%					
Q19b_2 Amount spent on grocery food items (typical overnight trip) 21	.14		25.00	30.70	50.00	18.04	2.42
Q19c_1 Spent money on shopping (typical overnight trip) 44	43	52%					
Q19c_2 Amount spent on shopping (typical overnight trip) 21	.11		50.00	60.56	50.00	51.16	6.90
Q19d_1 Spent money on gas for vehicle (typical overnight trip) 44	43	82%					
Q19d_2 Amount spent on gas for vehicle (typical overnight trip) 33	37		40.00	47.09	50.00	27.31	2.92
Q19e_1 Spent money on recreation and entertainment (typical overnight trip) 44	43	38%					
Q19e_2 Amount spent on recreation and entertainment (typical overnight trip) 14	48		40.00	56.25	20.00	55.29	8.91
Q19f_1 Spent money on other transportation (typical overnight trip) 44	43	9%					
Q19f_2 Amount spent on other transportation (typical overnight trip) 33	37		50.00	95.84	20.00	103.37	33.31
Q19g_1 Spent money on commercial lodging (typical overnight trip) 44	43	56%					
Q19g_2 Amount spent on commercial lodging (typical overnight trip) 22	26		105.00	154.40	100.00	109.51	14.28
Q20/21 Number of people overnight trip expenditures tend to cover 40	02		2.00	1.79	2.00	0.59	0.06
Q22a Typical trips to Vermont were leisure trips 57	78	88%					
Q22b Typical trips to Vermont were personal business trips 57	78	7%					
Q22c Typical trips to Vermont were business trips 57	78	4%					
Q23a_1 Have children under 6 years old 57	78	13%					
Q23a_2 Number of children under 6 years old 7	71		1.00	1.30	1.00	0.46	0.11
Q23b_1 Have children between 6 and 12 years old 57	78	12%					
Q23b_2 Number of children between 6 and 12 years old 6	58		1.00	1.44	1.00	0.63	0.15
Q23c_1 Have children between 13 and 18 years old 57	78	10%					
Q23c_2 Number of children between 13 and 18 years old 5	59		1.00	1.47	1.00	0.63	0.16

## **B.** Domestic Visitor Survey Instrument

The following base questions are proposed for the 2005/2006 VDTM Domestic Visitor study. Once approved, these questions will be reformatted into a proper web-based survey.

#### Target Metrics

- Frequency of visit
- Travel party size
- Duration of visit
- Spending patterns
- Purpose of travel
- Season of travel

(Note that this initial set of questions is closely based on the 2004 Family & Friends Tourism survey.)

#### Screener

- A. Are you eighteen years of age or older? (YES; NO DISQUAL)
- B. What is your state of residence? (DROP DOWN; IF VT DISQUAL)
- C. Did you visit the State of Vermont for business or personal reasons in 2005? (YES; NO DISQUALIFY)

#### Questionnaire

We'd like to ask you about any trips you might have taken to Vermont in 2005. These might have included day or overnight, personal or recreational trips, travel for business, or any leisure travel to Vermont. This includes any trips you might have made to a second home or camp in Vermont. Be sure to think about all four seasons last year – Summer, Fall, Winter, and Spring.

## Section A: Day Trips

- 1. Did you take any day trips to Vermont from your home state in 2005? (IF YES CONTINUE; ELSE SKIP TO SECTION B)
- 2. Please write in the number of separate day trips you made to Vermont from your home state in 2005 for each month you visited Vermont.
- 3. How many people were in your party on a typical Vermont daytrip in 2005?
- 4. What would you estimate was the total vehicle miles for a typical Vermont daytrip in 2005?
- 5. What would you estimate you spent while in Vermont during a typical Vermont daytrip in 2005?
- 6. Here is a list of different areas where someone might spend money during a Vermont daytrip. For each of the categories below, please provide your best estimate for what you spent on a typical daytrip to Vermont in 2005.

Your responses do not have to be exact – a "best estimate" will help greatly. Let's start with...

- a. Prepared meals and beverages such as from a restaurant, snack bar, or deli including alcoholic beverages
- b. Grocery food items purchased at a super market, grocery or convenience store including alcoholic beverages
- c. Shopping purchases such as sporting equipment, clothes, furniture, gifts, or toiletries
- d. Gas for vehicle including gas for a rental car
- e. Recreation and entertainment including fees, lift tickets, admission, and movie tickets.
- f. Amounts spent on transportation other than for a personal vehicle for example vehicle rentals, bus or taxi fares, ferry service, and tolls.
  - 7. Did your 2005 Vermont daytrip expenditures tend to cover just yourself or yourself and others (such as a spouse or child)? ("Myself only"; "Myself and others")
  - 8. If "Myself and others", please specify the total number of people, including you, that your 2005 Vermont daytrip expenditures typically cover."

#### Section B: Overnight Trips

- 9. Did you take an overnight trip to Vermont from your home state in 2005? (IF YES CONTINUE; ELSE SKIP TO SECTION C)
- 10. Please write in the number of separate overnight trips you made to Vermont in 2005 for each month you visited Vermont.
- 11. How many people were in your party on a typical Vermont overnight trip in 2005?
- 12. On a typical overnight trip, what was your primary mode of transportation to Vermont? ("Own Auto/Truck"; "Rental Car"; "Camper/ RV"; "Ship/ Boat"; "Airplane"; "Bus/ Motor Coach"; "Train"; "Other")
- 13. If you drove to Vermont (i.e., arrived in your own auto/ truck or camper/ RV, rental car, camper/ RV), what would you estimate was the total vehicle miles traveled for a typical Vermont overnight trip in 2005?
- 14. Did you stay with family or friends during any of your Vermont overnight trips in 2005?
- 15. If yes, please type in the number of separate occasions and, on average, how many nights you stayed.

Number of	Average Number
Separate	of Nights Stayed
Trips	

- a. Stayed with Family or Friends
- 16. Did you stay at a commercial lodging establishment such as a hotel, motel, inn, or bed and breakfast, rental home or condominium, campground and/or a park during any of your Vermont overnight trips in 2005?
- 17. For each type of commercial lodging establishment listed below, please type in the number of separate occasions where you stayed at each and, on average, how many nights you typically stayed when making such a trip in 2005.

Number of Average Number Separate of Nights Stayed Trips

a. Hotel or Motel

- b. Inn or Bed and Breakfast
- c. Rental Home or Condominium
- d. Campground/ Park
- 18. What would you estimate you spent while in Vermont during a typical Vermont overnight trip in 2005?
- 19. Here is a list of different areas where someone might spend money during a Vermont overnight trip. For each of the categories below, please provide your best estimate for what you spent on a typical overnight trip to Vermont in 2005.

Your responses do not have to be exact – a "best estimate" will help greatly. Let's start with...

- a. Prepared meals and beverages such as from a restaurant, snack bar, or deli including alcoholic beverages
- b. Grocery food items purchased at a super market, grocery or convenience store including alcoholic beverages
- c. Shopping purchases such as sporting equipment, clothes, furniture, toiletries
- d. Gas for vehicle including gas for a rental car
- e. Amounts spent on transportation other than for a personal vehicle for example vehicle rentals, bus or taxi fares.
- f. Recreation and entertainment including fees, lift tickets, admission, and movie tickets.
- g. Commercial lodging such as a hotel, motel, bed and breakfast, condominium, cabin, campground, timeshare, etc.
  - 20. Do your overnight trip expenditures typically cover just yourself or yourself and others (such as a spouse or child)? ("Myself only"; "Myself and others")
  - 21. If "Myself and others", please specify the total number of people, including you, that your 2005 overnight trip expenditures typically cover."

# Section C: Type of Trip

22. Please indicate the reason or purpose of your typical trips to Vermont by providing a percentage from 0 to 100 next to each type of trip. Please note the total should equal 100%.

	Total	100%
c.	Business trip (attend a convention, seminar, or business meeting)	%
b.	Personal business trip (visit a school, manage a medical need, or attend a family event)	%
a.	Leisure trip (visit friends or relatives, for outdoor recreation, or entertainment)	%

# Section D: Demographics

- 23. The rest of the questions are for classification purposes only. Which of the following categories best describes your age?
- 24. What is your marital status?
- 25. Do you have any children under the age of 18 living in your household?
- 26. Do you have children in your household who are...
  - a. Under 6 years old
  - b. Between 6 and 12 years old
  - c. Between 13 and 18 years old
- 27. What is the highest level of education you have completed?
- 28. Into which of the following broad categories did your total 2005 household income from all sources fall? Would you say...

29. Gender

(END OF SURVEY)

# Part II: Establishment Survey

## A. Methodology Brief

VDTM 2006 Lodging Establishment Study Issued: May 24<sup>th</sup>, 2006 (Version 1)

This document is intended to serve as a point of reference to the research methodology used for the VDTM 2006 Establishment Study as commissioned by VDTM for the 2006 Tourism Research Project. To this end, this document contains the following 5 sections:

#### **Section Overview**

- 1. Sample Frame Definitions
- 2. Sampling Methodology
- 3. Questionnaire Items
- 4. Data Collection
- 5. Analysis

#### 1. Sample Frame Definition

The target population of this research segment is identified as a Vermont *"Establishment,"* where *Establishment* includes any business which has:

Two or more commercial beds registered with the Vermont Department of Health for the purpose of providing lodging accommodations to *Vermont Travelers*.

The research seeks to develop a complete understanding of the economic activity of a *Vermont Traveler* as he or she interacts with an *Establishment*. A *Vermont Traveler* is any individual who is involved in non-routine spending on personal leisure, personal business, or employed business activities in Vermont.

These operational definitions are intended to capture expenditures made by visitors at bed and breakfasts, cabins & cottages, farm stays, hostels, hotels,

inns, motels, and resorts.

For the purposes of this survey, *Establishment* does not include food or drink based businesses such as bars/pubs, family dining, fast food, or fine dining. In addition, it does not include any recreation or event based businesses other than those fitting the definition outlined above, including campgrounds or marinas<sup>3</sup>.

# 2. Sampling Methodology

The sample list was generated using existing Establishment lists, with updates where appropriate. The following steps were taken to draw an Establishment Survey sample in previous waves:

- 1. The Travel Planner database managed by the VT Department of Tourism and Marketing (VDTM) was received in June of 2004 and cross-referenced against the Vermont Department of Health's records of licensed establishments.
- 2. Facilities that didn't have a primary contact name and/ or email address were cross-referenced against response data from the VDTM ongoing availability and occupancy research. The remaining facilities without a primary contact were called and a name recorded. When a primary contact was not identified, the generic title "Vermont Tourism Colleague" was used.

A total of 930 lodging facilities were identified and invited to participate in the research.

# 3. Questionnaire Items

The survey can be found in section F. Establishment Survey Instrument below.

# 4. Data Collection

Data was collected through a 4 phase process including:

- An online posting of the 2005 report at http://vdtm.surveylab.net,
- A six step web-based data collection process,

<sup>&</sup>lt;sup>3</sup> Note that campgrounds will be covered separately.

• A telephone follow-up with non-respondents, and

• A letter from the Commissioner sent to help encourage response from non responders.

### Phase 1: 2004 Report Posting

In early April of 2006, the 2005 establishment report was posted at http://vdtm.surveylab.net, where we also noted that data collection for the 2006 study would soon begin.

#### Phase 2: Web-Based Data Collection

Of the 930 establishments identified, 718 provided valid email addresses. These email addresses were used to send 6 email communications:

- 1. Advance project description (sent 04.12.06)
- 2. Email invitation (sent 04.13.06)
- 3. Reminder email #1 (sent 04.14.06)
- 4. Reminder email #2 (sent 04.18.06)
- 5. Deadline extension (sent 05.08.06)
- 6. Deadline extension (sent 05.11.06)

The text based emails can be found in section G. Establishment Survey Emails below.

#### Phase 3: Telephone Follow-up

A follow-up call was made to all non-respondents to confirm that they didn't have any trouble with the online component of the survey. The primary contact was targeted directly and when he or she was not available, a voice mail message was left. A total of 619 calls were made.

A total of 212 establishments were identified that did not have a valid email address. These groups were contacted by phone using the following scripts:

Calling scripts are located in section H. Establishment Survey Telephone Scripts below.

#### Phase 4: Letter from the Commissioner

A letter was drafted and sent from the Commissioner's office, in order to encourage participation among Establishment respondents. This letter was sent directly from Bruce Hyde on April 26<sup>th</sup>, 2006.

These four phases of data collection yielded a total of 133 qualified and complete responses. The average response time was 35 minutes, 40 seconds.

# 5. Analysis

The following data cleaning efforts were applied to the final dataset before analysis:

- All responses were reviewed for duplicate response. This was based on respondent system information recorded at the time of submission (e.g., IP address, Browser type and version, computer operating system and version). In addition, the length of time required for each complete was reviewed to identify duplicate responses.
- ✓ All respondents answering less than 5 questions were deleted.
- ✓ All respondents completing the survey in less than 1 minute were deleted.

Other data cleaning efforts that did not result in a respondent's entire response removed included:

- ✓ All out of range data that could not be obviously interpreted was recoded to missing (e.g., deleted). For example, if an establishment reported having 65 units available per night in Q2a, but reported having 4,000 rooms rented in January in Q3, they obviously misinterpreted Q3. The most rooms they could have rented would have been 2,015 (65 rooms \* 31 days in the month). In this instance, we deleted the data for Q3. Similarly, all textual data that was provided for a numerical data question and could not be easily interpreted was recoded to missing. For example, if in Q3 an establishment answered, "Almost full most nights", we could not make a definite interpretation so data would be deleted for Q3.
- ✓ If Q2a by month was "0" and data was either "0" or not provided for any other questions for that month, but Q2 is "open" for that month, Q2 was recoded to missing for that month.
- ✓ If no data for Q2 (by individual month), but there was data for another question Q2a, Q2c, Q3, Q3a, or Q3b (for that month), Q2 was recoded to open (for that month).
- ✓ All zeros were recoded to missing (Questions 2a, 2c, 3a, 3b, 6).
- $\checkmark$  Any ranges in data were recoded to the average of the range.
- ✓ If all months in Q3 were reported as "0" but other questions indicated the establishment did do business in 2005, Q3 was recoded to missing.
- ✓ If Q3 equaled Q2a for all months and Q2a did vary by month, Q3 was recoded to missing.

- ✓ If calculated occupancy was less than 5% for all 12 months and Q3 was less than Q2a for all 12 months, then Q3 was recoded to Q3 x days in the month. This rule was applied to response IDs: 1090,1018,1151,1094
- ✓ Q3a: "Week" was recoded to "7" and "Weekend" was recoded to "2"
- ✓ Q3a: "Month" was recoded to "30"
- ✓ For anyone who clearly answered Q2a as a total for the year, Q2a was divided by 365.
- ✓ For anyone who clearly answered Q2a as a total for the month, Q2a was divided by the number of days in the month.
- ✓ If Q2c equaled Q2a, but Q3b was greater than "1", Q2c was recoded to missing. This rule was applied to response IDs: 1122, 1151
- ✓ Questions 2a, 2c, 3a, 3b: Recoded overall measures to the average of the monthly measures as available. Likewise, when an overall measure was provided and no monthly measure was provided, the overall measure was filled in for each month the establishment was open (as defined by Q2).
- ✓ If a question set was designed to add up to 100% (i.e., Q4 and Q7) and did not, the following actions were taken:
  - If total was less than 90% or greater than 110%, all answers were recoded to missing.
  - If total was between 90% and 99.9% and all options (i.e., Q4a through Q4h) were answered, the difference from 100% was divided by the number of responses answered greater than 0% and added evenly to all responses greater than 0%.
  - If total was between 100.1% and 110% and all options were answered, the difference from 100.0% was divided by the number of answers greater than 0% and evenly subtracted from all responses greater than 0% (Note: if subtracting evenly across all data points caused one or more data points to be less than 0%, all responses were recoded to missing).
- ✓ If calculated occupancy (Q3/ [Q2a\*days in the month]) was greater than 100% for 1 or more months AND there was no systematic reason why, than the Q3 data was recoded to missing. (Note: if there was a systematic reason why, than only the data for the month(s) greater than

100% were recoded to missing.) This rule was applied to response ID: 1068

✓ If Q3b x Q2a > Q2c, recoded Q3b to missing. Average number of people per room in 2005 times the number of rooms available equals the average number of people in the hotel per night. This number should not be higher than the number of people the hotel can accommodate per night (Q2c). This rule was applied to response IDs: 1168, 1175, 1139, 1112, 1047, 1079, 1125, 1157, 1081, 1094, 1116, 1001, 1069, 1042, 1110

# B. Establishment Survey Instrument

#### Introduction

Thank you for taking the time to complete this survey. You may recall this study from last year. Please visit <<URL>> and <<URL>> to view the tremendous amount of useful information the study produced. The Vermont Department of Tourism Marketing uses the information to help fund marketing programs for Vermont Tourism. Regardless of whether or not you participated in the project last year, please take a few minutes and join in the success of this project.

The following questions address your experiences (past or present) as a travel and tourism related lodging business in Vermont. When responding, please focus on your business during the 2005 calendar year. Please note that we intend this to include **January 1**, 2005 through to December 31, 2005.

Your feedback is greatly appreciated and your responses are totally confidential. **Results will be reported as overall averages and individual responses will not be identified.** It will be helpful to have monthly occupancy and receipts information for calendar year 2005 on hand when you complete the survey. While we won't ask you for specific revenue figures, the survey will ask about how revenue is distributed.

The survey should not take you any longer than 15 to 20 minutes to complete.

1. **How many** Vermont lodging related businesses did you manage in 2005? If you manage more than one lodging related business in Vermont, please answer for only one establishment. (You choose which establishment is the "primary" one. We'll follow-up by email asking about the other establishments you manage).

\_\_\_\_\_ # of lodging businesses managed in 2005

- 2. Which of the following months were you **open for business** in 2005? (*Please check all that apply.*)
  - □ January
  - February
  - March
  - □ April
  - □ May
  - June

- □ July
- August
- September
- October
- □ November
- December
- 2a. How many <u>rooms (units)</u> were **available**, for rent, each night at your facility during each month in 2004 and each month in 2005? (*Please note that your best estimate is better than no information at all*)

Note that by "rooms (units)" we mean all guest rooms.

<u>2004</u>	<u>2005</u>	
January	January	
February	February	
March	March	
April	April	
May	May	
June	June	
July	July	
August	August	
September	September	
October	October	
November	November	
December	December	

2b. If the numbers of available rooms differ by month within either year, please explain why. Please be as specific as you can with your explanation.

2c. What is the **maximum number of overnight guests** you could accommodate per night at your facility during 2005 overall and monthly, if the number varied by month?

\_\_\_\_\_ Number of people you could accommodate in a given night during 2005

If different, please provide an estimated number of overnight guests you could accommodate per night by month.

January	July
February	August
March	September
April	October
May	November
June	December

3. What was the **total number of room nights** rented each month in 2005? *(Example: One room rented for five nights equals five room nights)* 

Please provide an estimate by month

January February March	 July August September	
April May June	 October November December	

3a. What was the **average length of stay** for a typical room (unit) party in 2005 overall and by month, if the average length of stay varied by month?

\_\_\_\_\_Average length of stay for a typical room (unit) party during 2005

If different, please provide an estimate by month

January	July
February	August
March	September

April	October	
May	 November	
June	 December	

3b. What were the **average** <u>**number of guests**</u> per room (unit) in 2005 overall and by month, if the average number of guests varied by month?

\_\_\_\_\_Average number of guests per room (unit) in 2005

If different, please provide an estimate by month.

January February March	 July August September	
April May June	 October November December	

4. Thinking about **all of your guests** in 2005, what percentage would you say came from each of the following areas:

		% quests from
4a.	Vermont residents:	%
4b.	Other New England States (i.e., Maine, New Hampshire, Massachusetts, Connecticut, Rhode Island):	%
4c.	New York State (including New York City)?	%
4d.	New Jersey?	%
4e.	Pennsylvania?	%
4f.	Other US States?	%
4g.	Canada?	%
4h.	Foreign guests (percentage – non-US citizens other than Canada)?	%
	Total % should equal	100%

5. What percent of your total 2005 room (unit) revenue/receipts do you estimate came from long-term room (unit) rentals (i.e., "long-term" is defined as 31 days or more)

\_\_\_\_\_ % of total 2005 room (unit) revenue/receipts from long-term room rental

5a. What about a **year or longer**? What percent of your total 2005 room (unit) revenue/receipts would you estimate came from long-term room (unit) rentals lasting 1 year or longer?

\_\_\_\_\_ % of total 2005 room (unit) revenue/receipts from long-term room (unit) rentals <u>lasting 1 year or longer</u>

6. What was your average overnight guestroom (unit) **rate per night** (excluding tax and gratuity) in 2005 overall and by month, if the average nightly rate varied by month?

\$\_\_\_\_\_ average room (unit) rate per night

If different, please provide your 2005 overnight guestroom (unit) rate month.

January February March	 July August September	
April May June	 October November December	

6a. Do you automatically add a gratuity to the rooms (units)?

YesNo

6b. If yes, what percent do you automatically add?

\_\_\_\_% gratuity automatically added to the room (unit) rate

7.	Approximately,	what percentage of your 2005 room (unit) revenue/receipts
	came from:	

		% of roor rental fror	n n:
7a.	People on vacation or leisure trips:		%
7b.	People at conventions or meetings on the premises		%
7c.	People on business <b>other than</b> conventions or meetings on the premises		%
7d.	Daily room (unit) revenue/receipts from meetings and other events (not involving an overnight stay; i.e., weddings, business meetings, or other functions)		%
	Total should equal	100%	

- 8. Did you have a restaurant open to the public in 2005?
  - □ Yes □ No
  - 8a. **If yes**, what percent of your 2005 meal revenue/receipts was **attributed to overnight** guests?

\_\_\_\_ % meal revenue/receipts from overnight guests

This last section is about your full-time and part-time employees.

Full-time employee: someone who works, on average, **35 hours or more** per week.

Part-time employee: someone who works, on average, less than 35 hours per week.

9. How many **permanent** (work for you year-round) **full-time** year-round employees on average did your business employ in Vermont in 2005 (including owners and managers)?

# of permanent full-time year-round employees in 2005

10. How many **seasonal** (work full-time for a portion of your year) **full-time** employees on average did your business employ in Vermont in 2005?

 Winter:
 # of seasonal full-time employees in 2005 (Jan '05 to Mar '05, Dec '05)

 Spring:
 # of seasonal full-time employees in 2005 (Apr '05 to May '05)

 Summer:
 # of seasonal full-time employees in 2005 (Jun '05 to Aug '05)

 Fall:
 # of seasonal full-time employees in 2005 (Sep '05 to Nov '05)

11. How many **total part-time** employees on average did your business employ in Vermont in 2005?

\_\_\_\_\_# of <u>part-time</u> employees in 2005

12. How many **seasonal part-time** employees on average did your business employ in Vermont in 2005?

Winter:	# of <u>seasonal part-time</u> employees in 2005 (Jan '05 to Mar
Spring:	# of <u>seasonal part-time</u> employees in 2005 (Apr '05 to May
US) Summer: _	# of seasonal part-time employees in 2005 (Jun '05 to Aug
fos) Fall: _	# of seasonal part-time employees in 2005 (Sep '05 to Nov
(05)	

13. What percent of your 2005 total **cost of operations is attributable to compensation** for personnel or staff (including employer paid benefits and your own compensation)?

\_\_\_\_% of 2005 expense for all personnel/staff

14. In what Vermont town/city is your establishment located?

15. Finally, for notification of the report's availability and general tracking purposes, **please enter the email address** <u>at which you received this</u> <u>survey</u> invitation.

\_\_\_\_\_ email address (at which you received this survey invitation)

## Establishment Survey Emails

#### Advanced Email

Wednesday - April 12, 2006

Dear John,

I am writing you to request your assistance with an important research project being conducted by the Vermont Department of Tourism and Marketing. This important survey will provide information to guide the Department's marketing and economic development responsibilities.

The survey will be sent to your email inbox Thursday, April 13th. Please reply directly to this email if you have any questions or comments. The survey should take approximately 15 to 20 minutes to complete.

In order to ensure the highest level of objectivity and confidentiality, we have asked Economic & Policy Resources along with Portland Research Group for assistance with this project.

In the meantime, please feel free to visit us online at <u>http://vdtm.surveylab.net</u> where you can read findings from the 2004 research as well as login to the "members only" section (password: 2004scorecard) to receive a specially designed Establishment Manager Scorecard.

Thank you for your interest and participation.

Regards, Bruce Hyde, Commissioner Vermont Dept. of Tourism & Marketing c/o Portland Research Group

\*What Should You Do Next?\*

You do nothing at this time. Look for the official invitation and survey from me on Thursday, April 13th. It will be helpful to have monthly occupancy and receipts information for calendar year 2004 on hand when you complete the survey. While we won't ask you for specific revenue figures, the survey will ask about how revenue is distributed.

### Invite Email

Thursday - April 13, 200

Dear John,

We invite you to participate in a survey about your experiences (past or present) as a travel and tourism business in Vermont.

The survey will take about 15 to 20 minutes to complete. Your participation will greatly help us better serve you and other Vermont travel and tourism businesses. To access the survey, please use the link below.

http://vdtm.surveylab.net/survey

It will be helpful to have monthly occupancy and receipts information for calendar year 2005 on hand when you complete the survey. While we won't ask you for specific revenue figures, the survey will ask about how revenue is distributed.

All participants will be provided a top-line copy of the results!

#### \*Why Are We Doing This?\*

The Vermont Department of Tourism and Marketing is collecting information about the industry to better understand the impact of travelers on the Vermont economy. The information will be used to assist with targeted marketing activities and develop industry economic policy.

#### \*What is SurveyLab?\*

In order to ensure the highest level of objectivity and confidentiality, the Department has asked Economic & Policy Resources along with Portland Research Group to assist us with this project. SurveyLab is a division of Portland Research Group.

#### \*What Should I Do Next?\*

Your feedback is very important! Please use the link below to provide your feedback by completing a brief questionnaire. Your feedback is greatly appreciated and your responses are totally confidential. Results will be reported as overall averages and individual responses will not be identified.

Thank you for your interest and participation.

Regards, Bruce Hyde, Commissioner Vermont Dept. of Tourism & Marketing c/o Portland Research Group Survey Link: <u>http://vdtm.surveylab.net/survey</u>

# Survey Reminder

Friday - April 14, 2006

Dear John,

This email is a quick reminder that the Vermont Department of Tourism & Marketing Lodging Establishment Study is now underway. We wanted to make sure you received our email invitation yesterday.

If you have not already completed the survey, please use the link below to access the survey online where you can complete it now or print it out and fax the completed survey to us when you have the time.

#### http://vdtm.surveylab.net/survey

It will be helpful to have monthly occupancy and receipts information for calendar year 2005 on hand when you complete the survey. While we won't ask you for specific revenue figures, the survey will ask about how revenue is distributed.

Thank you very much for your time. You can use the "SafeUnsubscribe" link at the bottom of this email to withdraw yourself from any future reminders.

Regards, Bruce Hyde, Commissioner Vermont Dept. of Tourism & Marketing c/o Portland Research Group

Survey Link: <a href="http://vdtm.surveylab.net/survey">http://vdtm.surveylab.net/survey</a>

# Survey Reminder

Tuesday - April 18, 2006

Dear John,

We have not yet received your response to the Vermont Department of Tourism & Marketing Lodging Establishment Survey. If you have completed the survey, please reply to this email so we may correct our records. Remember, with your response you will receive:

1. Access to the 2004 Establishment Scorecard. You can review the 2004 Scorecard at <u>http://vdtm.surveylab.net</u> (login with password: 2004scorecard)

2. Advanced access to the 2004 Establishment Benchmark survey results prior to general public release. You'll know what the trends are before the press or your guests.

3. The satisfaction that your operation, large or small, is contributing to the overall planning and strategy process to further the Vermont tourism industry.

If you have not already completed the survey, please use the link below to access the survey online where you can complete it now or print it out and fax the completed survey to us when you have the time.

http://vdtm.surveylab.net/survey

It will be helpful to have monthly occupancy and receipts information for calendar year 2004 on hand when you complete the survey. While we won't ask you for specific revenue figures, the survey will ask about how revenue is distributed.

Thank you very much for your time. You can use the "SafeUnsubscribe" link at the bottom of this email to withdraw yourself from any future reminders.

Regards, Bruce Hyde, Commissioner Vermont Dept. of Tourism & Marketing c/o Portland Research Group

Survey Link: <a href="http://vdtm.surveylab.net/survey">http://vdtm.surveylab.net/survey</a>

#### **Deadline Extension**

Monday - May 8, 2006

Thank you to those of you who have participated in the Vermont Department of Tourism & Marketing Lodging Establishment Study thus far.

In order to ensure all managers have the chance to participate in this study and because the results are so important to Vermont's industry, we've gained permission to extend the data collection phase of the project by a few days. The new deadline for your response is Thursday, May 11, 2006. We'll be closing the data collection portion of the project at 9:00 AM EST that morning.

If you haven't already, please use the link below to access the online survey and enter your response.

http://vdtm.surveylab.net/survey

It will be helpful to have monthly occupancy and receipts information for calendar year 2005 on hand when you complete the survey. While we won't ask you for specific revenue figures, the survey will ask about how revenue is distributed.

You will be provided information on how to access the study results after completing the survey.

Thank you for your time. Please remember that any information you provide will be totally confidential. This will be the last email we send related to this project.

Regards, Bruce Hyde, Commissioner Vermont Dept. of Tourism & Marketing c/o Portland Research Group

# Establishment Survey Telephone Scripts

#### To Non-Respondents

Hello, my name is \_\_\_\_\_\_ and I am calling on behalf of the Vermont Department of Tourism and Marketing to follow-up on the lodging survey invitation you received by email from Commissioner Hyde.

**ANSWERING MACHINE CONTINUE WITH:** The questionnaire takes just 15 minutes to complete. We would greatly appreciate it if you could respond to the survey by the end of next week. Feedback from every Vermont lodging establishment is vital to the overall success of the project because having as many participants as possible will give us strong regional as well as statewide data.

You can read about this project and the study sponsors at <u>http://vdtm.surveylab.net</u>. That's <u>http://vdtm.surveylab.net</u>. You'll find it easy to reach the survey online at this location. You can complete it right there or print a copy to complete it off-line and then fax to us toll free. A fax number is provided on the printout.

Also online at that location is access to a special Benchmark Scorecard that provides data on Vermont lodging capacity, occupancy, average room rates and a number of other measures you'll find useful. You can download this scorecard for free by logging in with the password "2004scorecard".

If you have any questions, please feel free to contact the project coordinator directly at 800.944.0597 x6. Thank you for your time.

(TERMINATE)

A. Did you receive the email invitation from Commissioner Hyde?

YES	(SKIP TO C)
NO	(CONTINUE)
REFUSED	(CONTINUE)
DON'T KNOW	(CONTINUE)

- B. The invitation contained a link to the web-based survey. Can I give you the link now so you can access the survey online where you can complete it or print it to complete off line then fax to us toll free.
  - YES You can reach the survey at http://vdtm.surveylab.net. That's <u>http://vdtm.surveylab.net</u>. You'll find it easy to reach the survey online at this location where you can also read about the project, the study sponsors. In addition, you can access a special Benchmark Scorecard that provides data on Vermont lodging capacity, occupancy, average room rates, and other measures you'll find useful. You can download this scorecard for free by logging in with the password "2004scorecard". (CONTINUE)

NO (CONTINUE) REFUSED (THANK AND TERMINATE) C. The questionnaire takes just 15 minutes to complete. We would greatly appreciate it if you could please respond to the survey by the end of next week. Feedback from every Vermont lodging establishment is vital to the overall success of the project because having as many participants as possible will give us strong regional as well as statewide data. Is there anything we can do to make it easier for you to respond? (RECORD FEEDBACK AND FORWARD BY EMAIL TO IHUNTER@PORTLANDRESEARCH.COM FOR FOLLOW-UP; ELSE THANK AND TERMINATE.)

(THANK AND TERMINATE)

#### To Establishments with an Invalid Email Address

Hello, my name is \_\_\_\_\_\_ and I am calling on behalf of the Vermont Department of Tourism and Marketing. With the cooperation of Vermont lodging establishments, we are conducting a survey to collect data about the lodging capacity, occupancy, and finances of the industry.

We will use the information gathered from this survey to guide industry marketing expenditures and to keep the public informed about the significance of the tourism sector in the Vermont economy.

**IF LEAVING A VOICE MAIL MESSAGE, CONTINUE WITH:** The questionnaire takes just 15 minutes to complete.

You can read about this project and the study sponsors at <u>http://vdtm.surveylab.net</u>. That's <u>http://vdtm.surveylab.net</u>. You'll find it easy to reach the survey online at this location. You can complete it right there or print a copy to complete it off-line and fax to us toll free. A fax number is provided on the printout.

Also online at that location is access to a special Benchmark Scorecard that provides data on Vermont lodging capacity, occupancy, average room rates, and a number of other measures you'll find useful. You can download this scorecard for free by logging in with the password "2004scorecard".

If you have any questions, please feel free to contact the project coordinator directly at 800.944.0597 x6. Thank you for your time.

(TERMINATE)

- D. Can I provide you with a link so you can access the survey online where you can complete it right there or print it to complete off line then fax to us toll free.
  - YES You can reach the survey at http://vdtm.surveylab.net. That's http://vdtm.surveylab.net. You'll find it easy to reach the survey online at this location where you can also read about the project, the study sponsors. In addition, you can access a special Benchmark Scorecard that provides data on Vermont lodging capacity, occupancy, average room rates, and other measures you'll find useful. You can download this scorecard for free by logging in with the password "2004scorecard". (CONTINUE)

NO (CONTINUE) REFUSED (THANK AND TERMINATE)

E. The questionnaire takes just 15 minutes to complete. Is there anything we can do to make it easier for you to respond?

(RECORD FEEDBACK AND FORWARD BY EMAIL TO IHUNTER@PORTLANDRESEARCH.COM FOR FOLLOW-UP; ELSE THANK AND TERMINATE.)

(THANK AND TERMINATE)

# Part III: Friends and Family Survey

# A. Methodology Brief

VDTM 2006 Family & Friends Study Issued: 4/14/06 (Version 2)

This document is intended to serve as a point of reference to the research methodology used for the VDTM 2006 Family & Friends Study as commissioned by VDTM for the 2006 Tourism Research Project. To this end, this document contains the following 6 sections:

#### **Document Overview**

- 1. Sample Frame Definitions
- 2. Sampling Methodology
- 3. Questionnaire Items
- 4. Data Collection
- 5. Analysis
- 6. Summary of Results

#### 1. Sample Frame Definition

The target population of this research segment is identified as a Vermont Resident.

A *Vermont Resident* is any individual over the age of 18 who has lived in Vermont for the past 6 or more consecutive months.

The research for this group will focus on *Vermont Resident* economic activity and Visitors

A *Visitor* is any person or party who spends the night at the home of a *Vermont* Resident while on a non-routine trip in Vermont.

#### 2. Sampling Methodology

*Vermont Residents* were interviewed by phone. A listed sample was purchased that randomly selected from all known Vermont residents.

# 3. Questionnaire Items

Questionnaire information is located in Appendix A of this document.

# 4. Data Collection

Data collection was conducted from March 14 to March 19, 2006. A total of 801 telephone interviews were completed. The average interview length was 6 minutes. Nine-tenths (94%) of the people contacted were qualified for the research (i.e., over the age of 18 and a Vermont resident for 6 months or longer). Half (52%) of the qualified respondents agreed to participate in the research.

Respondents were split almost evenly between men (52%) and women (48%). Nearly half of all respondents (45%) reported that they had taken a non-routine trip in Vermont in 2005. Half of respondents (50%) reported hosting at least one overnight guest who was on a non-routine trip in 2005.

#### 5. Analysis

The data was organized into two primary segments for analysis:

- 1. Those who took a day trip in Vermont in 2005 and only stayed with family and friends
- 2. Those who took an overnight trip in Vermont in 2005 and only stayed at commercial lodging

All variables were reported as a direct percentage or as an average, depending on the nature of the variable. The Inter-Quartile Range was calculated and any data points greater than 1.51\*QR from Q<sub>3</sub> were removed as outliers. All zero responses were used as a base calculation for frequency (i.e., 95% reported spending money on groceries) and the average score was then based on all responses greater than zero. Average scores were reported as median, mean, mode, and standard deviation. Confidence intervals were calculated for each average score at the 95% confidence level.

The following pages provide an overview of the raw research findings overall **(Table 1)** and by the two primary segments **(Tables 2 and 3)** outlined above.

Table 1: Overall Non-Routine Trips Activity

Survev Reference

Research Findings (Avg. of Averages)

our vey INI			INCOCATI		1 1 1 2 1 1 1 2 1 1 1 2 1 1 1 1 2 1	(cageta)		
ID	Variable (Note: DT = Daytrip(s); OT = Overnight Trip(s)	n Freq	. Med.	Mea	an Mode	StDe	ev Con	
Q.1	Non-routine Trips	801	45%	1	1	1	1	
Q.2	Gone on Leisure Trips	359	%06	I	ł	ł	ł	
Q.3	# of Leisure Trips	286		ß	7.31	9	5.92	0.85
Q.4	Gone on Personal Business Trips	358	53%	ł	ł	ł	ł	
Q.5	# of Personal Business Trips	169		ഗ	5.8	1	5.07	0.87
Q.6	Gone on Business Trips	357	43%	I	ł	ł	ł	
Q.7	# of Business Trips	132		Э	4.73	2	4.12	0.81
Q.8a_1	Took DT (calculated)	357	85%	1	ł	1	1	
Q.8a_2	# of DT	276		9	10.22	9	9.34	1.21
Q.9	Avg # of People in Party for a DT	275		2	2.43	2	0.91	0.29
Q.10	Total Vehicle Miles for an Avg. DT	255		100	111.98	100	63.22	13.74
Q.11_1	Spent \$ During Typical DT (calculated)	276	%26	ł	ł	ł	ł	
Q.11_2	Amount Spent During Typical DT	253		50	68.36	50	46.69	8.42
Q.12a_1	Spent \$ On Meals and Beverages (DT) (calculated)	290	93%	ł	ł	ł	I	
Q.12a_2	Amount Spent on Meals and Beverages (DT)	253		40	40.03	50	25.47	4.93
Q.12b_1	Spent \$ On Grocery Food (DT) (calculated)	282	72%	I	ł	ł	ł	
Q.12b_2	Amount Spent on Grocery Food (DT)	182		20	26.1	10	24.17	3.79
Q.12c_1	Spent \$ On Shopping (DT) (calculated)	279	61%	I	ł	ł	ł	
Q.12c_2	Amount Spent On Shopping (DT)	156		50	57.4	50	50.28	9.01
Q.12d_1	Spent \$ On Gas (DT) (calculated)	281	%26	I	ł	ł	ł	
Q.12d_2	Amount Spent On Gas (DT)	242		22.5	26.2	20	14.08	3.3
Q.12e_1	Spent \$ On Other Transportation (DT) (calculated)	293	8%	I	ł	ł	ł	
Q.12e_2	Amount Spent On Other Transportation (DT)	22		30	83.73	10	98.02	35
Q.12f_1	Spent \$ on Entertainment (DT) (calculated)	289	62%	ł	ł	ł	I	
Q.12f_2	Amount Spent On Entertainment (DT)	153		30	32.68	20	17.96	5.18

	Table 1: Overall Non-Roi	utine Trips	Activity (	contd.)				
Q.12f_2	Amount Spent On Entertainment (DT)	153		30	32.68	20	17.96	5.18
Q.8b_1	Took OTs (calculated)	358	53%	ł	ł	1	1	
$Q.8b_2$	# of OTs	169		33	3.83	1	2.89	0.58
Q.13	Avg # of People in Party for an OT	185		7	2.7	2	1.36	0.39
Q.14	Total Vehicle Miles for an Avg. OT	165		130	139.3	200	73.31	21.26
Q.15	Stayed with Family/Friends During any OTs	190	51%	I	I	ł	I	
Q.16	Avg. # of Nights Staying with Family/Friends on OTs	77		1	1.48	1	0.55	0.33
Q.17	Stayed at Commercial Lodging Est. During any OTs	189	%65	I	I	ł	ł	
Q.18	Avg. # of Nights Staying at Commercial Lodging Est. on OTs	105		11	1.53	1	0.68	0.33
Q.19_1	Spent \$ During Typical OT (calculated)	172	100%	I	I	1	ł	
Q.19_2	Amount Spent During Typical OT	152		125	137.96	200	81.86	21.93
Q.20a_1	Spent \$ On Meals and Beverages (OT) (calculated)	179	86%	I	I	ł	ł	
Q.20a_2	Amount Spent on Meals and Beverages (OT)	145		50	64.47	50	46.82	10.49
Q.20b_1	Spent \$ On Grocery Food (OT) (calculated)	179	%92	I	I	1	ł	
Q.20b_2	Amount Spent on Grocery Food (OT)	116		22.5	28.3	20	17.77	5.15
$Q.20c_{-1}$	Spent \$ On Shopping (OT) (calculated)	176	62%	I	I	ł	ł	
Q.20c_2	Amount Spent On Shopping (OT)	104		50	63.14	50	57.85	12.14
Q.20d_1	Spent \$ On Gas (OT) (calculated)	175	%86	I	I	1	ł	
Q.20d_2	Amount Spent On Gas (OT)	150		30	33.09	20	17.21	5.3
Q.20e_1	Spent \$ On Other Transportation (OT) (calculated)	183	- %6	ł	ł	ł	ł	
Q.20e_2	Amount Spent On Other Transportation (OT)	14		22.5	26.5	50	16.34	13.88
Q.20f_1	Spent \$ On Commercial Lodging (OT) (calculated)	180	%89	ł	ł	ł	ł	
Q.20f_2	Amount Spent On Commercial Lodging (OT)	112		100	111.16	100	68.07	20.59
$Q.20g_{-1}$	Spent \$ On Entertainment (OT) (calculated)	181	51%	ł	ł	ł	ł	
Q.20g_2	Amount Spent On Entertainment (OT)	88		30	39.44	50	27.49	8.24
Q.21	Have Any Overnight Guests Stay at Home	776	%02	I	I	I	ł	
Q.22	# of Occasions having an Overnight Guest Stay at Home	348		4	4.46	2	2.92	0.47
Q.23	Avg. # of People in Party that Stays With You	356		7	2.3	2	0.93	0.24
Q.24	Avg. # of Nights Party Stays With You	330 -		7	2.15	7	0.88	0.23
Q.25	VT was Final Destination for Guest	377	91%	I	I	I	1	

		Stayed with	Friend or Fam	ily Member Only	Stayed at Commercial Lodging Only
Survey	Reference	Research	Findings (Avg.	of Averages)	Research Findings (Avg. of Averages)
Qx	Variable (Note: $DT = Daytrip(s)$ ; $OT = Overnight Tr_1$	Freq. Me	d. Mean	Mode StDev Conf.	n Freq. Med. Mean Mode StDev Conf.
Non-R.	uttine Trin Frequency				
	anne infithated actives				
Q.1	Non-routine Trips	54 100%	1	:	71 100%
Q.2	Gone on Leisure Trips	54 98%	1	:	71 87%
Q.3	# of Leisure Trips	49	6 8.35	12 6.26 2.34	55 4 5.78 4 4.72 1.53
Q.4	Gone on Personal Business Trips	54 63%			71 56%
Q.5	# of Personal Business Trips	31	5 5.84	1 4.93 2.06	36 3.5 5.89 2 5.46 1.92
Q.6	Gone on Business Trips	53 42%	:		71 54%
Q.7	# of Business Trips	20	3 4.45	2 4.52 1.95	33 4 5.33 2 4.88 1.82
Q.8a_1	Took DTs (calculated)	54 70%	1	1	70 76%
Q.8a_2	# of DTs	36	55 9.78	3 10.31 3.19	50 6 9.9 6 8.91 2.74
Q.9	Avg # of People in Party for a DT	35	2 2.54	2 1.07 0.84	50 2 2.46 2 0.91 0.68
Q.10	Total Vehicle Miles for an Avg. DT	33	100 111.73	100 64.66 38.12	43 120 131.6 100 65.12 39.34
Q.11_1	Spent \$ During Typical DT (calculated)	33 100%			47 98%
Q.11_2	Amount Spent During Typical DT	32	50 56.75	50 35.44 19.66	43 100 88.65 100 51.47 26.5
Q.12a_1	Spent \$ On Meals and Beverages (DT) (calculated)	35 89%		-	51 100%
Q.12a_2	Amount Spent on Meals and Beverages (DT)	30	20 29.77	20 18.7 10.65	48 50 48.06 50 29.58 13.6
Q.12b_1	Spent \$ On Grocery Food (DT) (calculated)	32 66%		1	49 71%
Q.12b_2	Amount Spent on Grocery Food (DT)	19	25 31.53	50 27.32 14.18	31 12 20.87 10 18.01 7.35
Q.12c_1	Spent \$ On Shopping (DT) (calculated)	33 46%		-	49 63%
$Q.12c_2$	Amount Spent On Shopping (DT)	15	40 70.33	20 70.32 35.59	29 50 55.34 50 42.78 20.14
Q.12d_1	Spent \$ On Gas (DT) (calculated)	33 97%		-	50 100%
Q.12d_2	Amount Spent On Gas (DT)	28	20 23.75	20 14.12 8.8	44 25 27.07 20 13.47 8
Q.12e_1	Spent \$ On Other Transportation (DT) (calculated)	37 5%	1		50 4%

Table 2: Non-Routine Trip Frequency and Daytrips

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77.5 -ł

77.5

2 --

Amount Spent On Other Transportation (DT) Spent \$ On Entertainment (DT) (calculated) Amount Spent On Entertainment (DT)

> Q.12f\_1 Q.12f\_2

Q.12e\_2

Table 3: Overnight Trips and Personal Guests

		St	tayed wit	h Friend	or Family	Member (	nly		St	ayed at (	Соттегс	sial Lod	ging On	<u>ly</u>	
Survey	Reference		Researc	h Finding	s (Avg. of	Average	()		Re	search Fi	ndings (	Avg. of	Averag	es)	
Qx	Variable (Note: $DT = Daytrip(s)$ ; $OT = Overnight Trip(s)$	Freq.	. Med.	. Mea	an Mo	de StD	ev Conf.	u	Freq.	Med.	Mean	Mod	le StD6	ev Con	f.
<b>Overin</b>	gut Itips														
$Q.8b_{-1}$	Took OT (calculated)	54 1	%00	1	ł	ł	ł		70 100	%	1	ł	ł	ł	
Q.8b_2	# of OT	47		3	4.04	1	3.08 1.1	6	63		3	.08	1	2.41	0.76
Q.13	Avg # of People in Party for an OT	53		2	2.89	2	1.55 0.7	8	89	.,	2	.25	5	.94	0.53
Q.14	Total Vehicle Miles for an Avg. OT	51		140	139.33	200	73.89 38.2	4	57	15(	155	.77	150 7	9.36 4	0.44
Q.15	Stayed with Family/Friends During any OT	54 1	%00	ł	ł	I	ł	1	ł	ł	1	ł	I	ł	
Q.16	Avg. # of Nights Staying with Family/Friends on OT	46		2	1.61	2	0.58 0.4		ł	ł	1	ł	I		
Q.17	Stayed at Commercial Lodging Est. During any OT -	1	ł	1	1	ł	ł		70 100	%	1	ł	ł	ł	
Q.18	Avg. # of Nights Staying at Comm. Lodging Est. on OT	1	ł	1	ł	ł	ł		89	-		1.6	1	).72	0.38
Q.19_1	Spent \$ During Typical OT (calculated)	46 1	%00	ł	ł	ł	ł		66 100	%	1	ł	ł	ł	
Q.19_2	Amount Spent During Typical OT	45		70	96.44	50	76.89 28.1	×	51	15(	) 16	9.8	150 7.	2.51	46.6
Q.20a_1	Spent \$ On Meals and Beverages (OT) (calculated)	52	81%	ł	ł	ł	ł		64 94	%	1	ł	ł	ł	
Q.20a_2	Amount Spent on Meals and Beverages (OT)	42		40	44.83	50	32.13 13.5	6	53	65	5 78	.68	100 5	1.41 2	1.18
Q.20b_1	Spent \$ On Grocery Food (OT) (calculated)	52	75%	ł	ł	ł	ł		67 67	%	1	ł	ł	ł	
Q.20b_2	Amount Spent on Grocery Food (OT)	37		25	30.76	20	18.07 9.9	1	37	2(	) 23	.38	10 1	7.28	7.53
Q.20c_1	Spent \$ On Shopping (OT) (calculated)	51	55%	ł	ł	ł	ł		65 66	%	1	I	ł	I	
Q.20c_2	Amount Spent On Shopping (OT)	28		50	61.61	50	57.59 22.8	5	40	5(	0	1.5	100 61	0.34 2	2.16
Q.20d_1	Spent \$ On Gas (OT) (calculated)	51	%86	ł	1	ł	ł		63 97	%	I	ł	ł	ł	
Q.20d_2	Amount Spent On Gas (OT)	46		27.5	32.83	20	17.53 9.4	6	52	36	5 38	.02	30 1	3.14 1	0.33
Q.20e_1	Spent \$ On Other Transportation (OT) (calculated)	54	7%	ł	ł	ł	ł		67 3	%	1	ł	ł	ł	
Q.20e_2	Amount Spent On Other Transportation (OT)	4		22.5	21.25		8.54 20.8	6	1	5(	0	05		0	98
Q.20f_1	Spent \$ On Commercial Lodging (OT) (calculated)	52	17%	ł	ł	ł	ł		66 94	%	1	I	ł	I	
Q.20f_2	Amount Spent On Commercial Lodging (OT)	8		50	42.5	50	24.35 29.4	10	55	111	l 13.	2.8	100 7	1.33	35.1
$Q.20g_{-1}$	Spent \$ On Entertainment (OT) (calculated)	52	%05	ł	ł	I	ł		68 56	%	I	ł	I	I	
Q.20g_2	Amount Spent On Entertainment (OT)	25		20	31.04	20	25.2 12.1	7	31	3(	) 40	.16	50 2	3.27 1	4.14
Person	al Guests														
Q.21	Have Any Overnight Guests Stay at Home	53	72%	ł	I	ł	ł		68 63	- %	1	ł	I	I	
Q.22	# of Occasions having an Overnight Guest Stay at Home	34		ю	3.91	7	2.62 1.3	1	34	7	1 4	.85	ŝ	2.68	1.63
Q.23	Avg. # of People in Party that Stays With You	32		2	2.25	2	0.92 0.73	×	43	.,	2	.35	5	.97	0.7
Q.24	Avg. # of Nights Party Stays With You	32		2	1.91	2	1 0.6	9	38	C V	2	.21	7	.91	0.7
Q.25	VT was Final Destination for Guest	36	83%	ł	ł	I	ł		43 91	%	ł	I	ł	ł	

100

# 6. Summary of Results

In 2005, the Vermont Department of Tourism and Marketing commissioned Economic and Policy Resources of Williston, Vermont and Portland Research Group of Portland, Maine to undertake a comprehensive economic assessment that benchmarks the Vermont travel industry. The primary objectives of this benchmark study were to A) Improve understanding of the economic function of the tourism industry in Vermont, B) Assist the industry to direct marketing resources toward the best and most profitable visitor prospects, and C) Facilitate future economic development policy discussions related to the industry.

To this end, domestic non-routine resident activates were identified as contributing to the Vermont tourism economy. Therefore, a telephone interview was conducted to measure the dynamics and extent of this economic contribution.

# Research Methodology

Vermont residents were interviewed by phone. A listed sample was purchased that randomly selected from all known Vermont residents. The telephone interview targeted any individual over the age of 18 who had lived in Vermont for the past 6 or more consecutive months. The focus of the interview also covered *Visitor* activity. A *Visitor* was defined as any person or party who spends the night at the home of a Vermont resident or commercial lodging establishment while on a non-routine trip in Vermont. A *Visitor* could have their primary residence in or outside of Vermont. Data collection was conducted from March 14, 2004 to March 19, 2006. A total of 801 telephone interviews were completed. Respondents were split almost evenly between men (52%) and women (48%).

# **Research Findings**

Nearly half of respondents (45%) reported taking a non-routine trip to Vermont in 2005. The majority of non-routine trips were day trips (85%), while more than half of respondents (53%) reported spending the night in Vermont.

# Daytrips

Of the "day trippers" surveyed, respondents took an average of 10.22 trips, with an average of 2.43 people and drove an average of 111.98 miles. Almost all respondents (97%) reported spending money during a typical day trip, and spent around \$68.36. Purchasing gas (97%) and meals and beverages (93%) were the two most popular activities to spend money on, with respondents reporting having spent an average of \$40.03 on meals and beverages and \$26.20 on gasoline.

# Overnight Trips

Of the "overnight trippers" surveyed, respondents took an average of 3.83 trips, with an average of 2.70 people and drove an average of 139.30 miles. Half of respondents stayed with friends or family (51%) for just one night, while nearly two-thirds (59%) stayed in commercial lodging for one night. All overnight visitors (100%) reported spending money while in Vermont, on items such as gas (98%), meals and beverages (86%) and groceries (76%). Respondents spent an average of \$33.09 on gas, \$64.47 on meals and beverages and \$28.30 on groceries.

# Personal Guests

Half of respondents (50%) reported hosting at least one overnight guest who was on a non-routine trip in 2005. The typical respondent reported an average of 4.46 occasions where one or more overnight guests stayed at their home. The visiting party typically had 2.30 people staying for an average of 2.15 nights. Nine-tenths (91%) of respondents reported that Vermont was the final destination of their guests.

# B. Friends and Family Survey Instrument

#### Introduction

Hello, my name is \_\_\_\_\_\_ and I'm calling from Portland Research Group, an independent market research firm. We are conducting a research study on behalf of the Vermont Department of Tourism and Marketing about travel within Vermont in 2005 and any out of state visitors you may have had last year. Please be assured that we will not try to sell you anything and that your responses will be kept strictly confidential.

(IF RESPONDENT DOES NOT HAVE THE TIME, ASK FOR A BETTER TIME TO CALL)

(IF ASKED ABOUT LENGTH, SAY: "This interview will last no more than 12 minutes".)

# Screener

A. Are you eighteen years of age or older?

YES	1	(CONTINUE)
NO	2	(ASK TO SPEAK TO SOMEONE
		INHOUSEHOLD WHO IS 18 OR OLDER.
		REPEAT INTRO.)
REFUSED	8	(THANK AND TERMINATE)

B. How long have you been a resident of Vermont?

LESS THAN SIX MONTHS	1	(THANK AND
		TERMINATE)
SIX MONTHS OR MORE	2	(CONTINUE)
REFUSED	8	(THANK AND
		TERMINATE)

# Main Questionnaire

# Section I: Type of Trip

 We'd like to ask you about any non-routine trips to a Vermont destination you might have taken in 2005. By "non-routine", we mean any trips that were outside your normal daily routine. These might have included day or overnight personal or recreational trips, non-routine travel for business, or any leisure travel within the state. This includes any trips you might have made to a second home or camp inside Vermont. Be sure to think about all four seasons last year – Summer, Fall, Winter, and Spring.

Did you take any non-routine trips to a Vermont destination in 2005?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q21)
REFUSED	8	(THANK AND TERMINATE)
DON'T KNOW	9	(THANK AND TERMINATE)

I'm going to describe three types of non-routine trips someone might make in Vermont. After I read each description, please tell me if this describes at least one of the non-routine Vermont trips you took in 2005?

RANDOMIZE THE ORDER OF QUESTION SETS A, B, AND C. SETS ARE DEFINED AS: A) Q2 & Q3, B) Q4 & Q5, AND C) Q6 & Q7.

2. The first type is a <u>leisure trip</u>. A leisure trip is the kind of trip you would take to visit friends or relatives, for outdoor recreation, or entertainment and sightseeing. Does this describe at least one of your non-routine 2005 Vermont trips?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q4)
REFUSED	8	(SKIP TO Q4)
DON'T KNOW	9	(SKIP TO Q4)

 On how many different occasions did you take a Vermont <u>leisure trip</u> in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	TRIPS
REFUSED	998
DON'T KNOW	999

4. The second is <u>personal business trip</u>. A personal business trip is the kind of trip you would take to visit a school, manage a medical need, or attend a family event such as a wedding or funeral. Does this describe at least one of your non-routine 2005 Vermont trips?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q6)
REFUSED	8	(SKIP TO Q6)
DON'T KNOW	9	(SKIP TO Q6)

5. On how many different occasions did you take a Vermont <u>personal business</u> <u>trip</u> in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	TRIPS
REFUSED	998
DON'T KNOW	999

6. The third is a <u>business trip</u>. A business trip is the kind of trip you would take to attend a convention or seminar, or attend a business meeting. Does this describe at least one of your non-routine 2005 Vermont trips?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q8)
REFUSED	8	(SKIP TO Q8)
DON'T KNOW	9	(SKIP TO Q8)

 On how many different occasions did you take a Vermont <u>business trip</u> in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	TRIPS
REFUSED	998
DON'T KNOW	999

- 8. How many of the trips you mentioned above were Vermont daytrips where you left and returned home the same day and how many were overnight trips where you spent the night somewhere other than your home during the trip?
  - a. NUMBER OF DAYTRIPS
  - b. NUMBER OF OVERNIGHT TRIPS

#### Section II: Day Trips

IF Q8A IS GREATER THAN ZERO, CONTINUE, ELSE SKIP TO Q13

 What was the average number of people in your party for a typical nonroutine Vermont daytrip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	PEOPLE	
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

10. What would you estimate was the total vehicle miles driven as part of a typical non-routine Vermont daytrip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	MILES		
REFUSED	998	(CONTINUE)	
DON'T KNOW	999	(CONTINUE)	

11. What would you estimate you spent during a typical non-routine Vermont daytrip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	DOLLARS		
REFUSED	998	(CONTINUE)	
DON'T KNOW	999	(CONTINUE)	

12. I'm going to read you a list of different areas where someone might spend money during a non-routine Vermont daytrip. For each of the categories below, please provide your best estimate for what you spent on a typical daytrip in 2005.

Your responses do not have to be exact – a "best estimate" will help greatly. Let's start with... (READ LIST. RANDOMIZE ORDER.)

<u>Q12</u>	2: Spend
<ul> <li>g. Prepared meals and beverages such as from a restaurant, snack bar, or deli – including alcoholic beverages</li> <li>\$</li> </ul>	
h. Grocery food items purchased at a super market, grocery or convenience store – including alcoholic beverages \$	
i. Shopping – purchases such as sporting equipment, clothes, furniture, toiletries \$	
j. Gas for vehicle – including a rental vehicle \$	
k. Amounts spent on transportation other than for a personal vehicle – for example vehicle rentals, bus or taxi fares. \$	
1. Entertainment expenditures on movies, museum admission, concerts, ski lift tickets, sports events, etc.       \$	

# Section III: Overnight Trips

IF Q8B IS GREATER THAN ZERO, CONTINUE, ELSE SKIP TO Q21

 What was the average number of people in your party for a typical nonroutine Vermont overnight trip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	PEOPLE	
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

14. What would you estimate was the total vehicle miles driven as part of a typical non-routine Vermont overnight trip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	MILES		
REFUSED	998	(CONTINUE)	
DON'T KNOW	999	(CONTINUE)	

15. Did you stay with family or friends during any of your non-routine Vermont overnight trips in 2005?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q17)
REFUSED	8	(CONTINUE)
DON'T KNOW	9	(CONTINUE)

16. What was the average number of nights you stayed with a friend or member of your family during a typical non-routine Vermont overnight trip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	NIGHTS	
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

17. Did you stay at a commercial lodging establishment such as a hotel, inn, or bed and breakfast during any of your non-routine Vermont overnight trips in 2005?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q19)
REFUSED	8	(CONTINUE)

DON'T KNOW 9 (CONTINUE)

18. What is the average number of nights you stayed at a commercial lodging establishment during a typical non-routine Vermont overnight trip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	NIGHTS		
REFUSED	998	(CONTINUE)	
DON'T KNOW	999	(CONTINUE)	

19. What would you estimate you spent during a typical non-routine Vermont overnight trip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	DOLLARS	
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

20. I'm going to read you a list of different areas where someone might spend money during a non-routine Vermont overnight trip. For each of the categories below, please provide your best estimate for what you spent on a typical overnight trip in 2005.

Your responses do not have to be exact – a "best estimate" will help greatly. Let's start with... (READ LIST. RANDOMIZE ORDER.)

		<u>Q20: Spend</u>
h.	Prepared meals and beverages such as from a restaurant, snack	\$
	bar, or deli – including alcoholic beverages	
i.	Grocery food items purchased at a super market, grocery or	\$
	convenience store – including alcoholic beverages	
j.	Shopping – purchases such as sporting equipment, clothes,	\$
J	furniture, toiletries	
k.	Gas for vehicle – including a rental vehicle	\$
1.	Amounts spent on transportation other than for a personal vehicle	
	- for example vehicle rentals, bus or taxi fares.	\$
m.	Commercial lodging such as a hotel, motel, bed and breakfast,	
	condominium, cabin, campground, etc.	\$
m.	Entertainment expenditures on movies, museum admission.	
	concerts, ski lift tickets, sports events, etc.	\$
	,,,,,,,,,	т
## Section IV: Visitors to Vermont Staying with Family and Friends

21. Next we'd like to ask you about your own family and friends and how frequently, if at all, they stay the night at your home while on a non-routine trip.

Did you have any non-routine overnight guests stay at your home in 2005?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q26)
REFUSED	8	(THANK AND TERMINATE)
DON'T KNOW	9	(THANK AND TERMINATE)

22. On how many occasions did you have an overnight travel party stay at your home in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	OCCASI	ONS
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

23. On average, how many people are in a typical travel party that stays with you? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	PEOPLE	
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

24. On average, how many nights did a typical party stay with you during their trip in 2005? (IF NOT SURE, TRY TO GET BEST ESTIMATE)

	NIGHTS	
REFUSED	998	(CONTINUE)
DON'T KNOW	999	(CONTINUE)

25. On average, did Vermont tend to be the final destination for a typical overnight guest in 2005 or was your overnight guests more likely to be traveling through to a final destination outside Vermont?

FINAL DESTINATION	1	(CONTINUE)
PASSING THROUGH	2	(CONTINUE)

REFUSED	8	(CONTINUE)
DON'T KNOW	9	(CONTINUE)

## Section V: Demographic Profiles

26. The rest of the questions are for classification purposes only. Which of the following categories best describes your age? (READ LIST)

2
3
4
5
6
8

27. What is your marital status? Would you say... (READ LIST)? (ACCEPT ONE RESPONSE)

Single, never married,	1
Married,	2
Living with a companion	
but not married, or	3
Previously married?	4
REFUSED	8

28. Do you have any children under the age of 18 living in your household?

YES	1	(CONTINUE)
NO	2	(SKIP TO Q30)
REFUSED	8	(SKIP TO Q30)

29. Do you have children in your household who are... READ LIST?

		<u>YES</u>	<u>NO</u>	<u>REFUSED</u>
d.	Under 6 years old	1	2	8
e.	Between 6 and 12 years old	1	2	8
f.	Between 13 and 18 years old	1	2	8

30. What is the <u>highest</u> level of education you have completed? (DO NOT READ LIST)

1
2
3
4
5
6
7
8

31. Into which of the following broad categories did your total 2005 household income from all sources fall? Would you say...(READ LIST)?

Under \$20,000,	1
\$20,000 to less than \$35,000,	2
\$35,000 to less than \$50,000,	3
\$50,000 to less than \$75,000,	4
\$75,000 to less than \$100,000, or	5
\$100,000 or more	6
REFUSED	8
DON'T KNOW	9

## 32. Gender (RECORD BY OBSERVATION)

MALE	1
FEMALE	2

Those are all the questions I have. Thank you for participating. I just need to verify your:

\_\_\_\_\_

## FIRST NAME:

TELEPHONE NUMBER: (\_\_\_\_\_) \_\_\_\_-

CITY/TOWN

STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

Again, thank you very much for your time.