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2017

**BENCHMARK STUDY
EXECUTIVE SUMMARY**

TOURISM IN VERMONT

2018 RELEASE

© VERMONT DEPARTMENT OF TOURISM & MARKETING

2017

BENCHMARK STUDY

INTRODUCTION & ORIGIN

The Tourism Benchmark Study is a biennial publication of the Vermont Department of Tourism and Marketing. The study seeks to illustrate the impact tourism has on the Vermont economy. These impacts include jobs, income for Vermonters, and tax revenue for state and local governments. The information in this study is compiled using analysis of tax reports, credit card data, and statistics from the Vermont Department of Labor and the U.S. Bureau of Economic Analysis.

KEY FINDINGS OF THE 2017 BENCHMARK REPORT

TOURISM IMPACT ON VERMONT'S ECONOMY IS SIGNIFICANT

» IN 2017, TOURISM BROUGHT \$2.8 BILLION DOLLARS INTO VERMONT, UP FROM \$2.6 BILLION IN 2015.

VISITATION TRENDS REMAIN STRONG

» 13.1 MILLION PEOPLE VISITED VERMONT IN 2017.

WINTER MAKES VERMONT UNIQUE

» VERMONT SEES STRONG ECONOMIC ACTIVITY DURING THE WINTER THAT NEIGHBORS, LIKE NEW YORK AND NEW HAMPSHIRE, DO NOT.

SECOND HOME CONTRIBUTIONS MATTER

» SECOND HOME ECONOMIC ACTIVITY CONTRIBUTES \$380 MILLION TO VERMONT'S ECONOMY.

TOURISM IMPACT FOR SOUTHERN VERMONT

» TOURISM STRENGTHENS THE ECONOMY OF VERMONT'S SOUTHERN COUNTIES (RUTLAND, WINDSOR, BENNINGTON, WINDHAM).

SUMMARY OF IMPACTS

	2017 SPENDING
RESTAURANTS AND BARS	\$600 MILLION
LODGING	\$550 MILLION
RECREATION AND ENTERTAINMENT	\$360 MILLION
OTHER RETAIL SALES	\$283 MILLION
GASOLINE SALES	\$210 MILLION
TRAVEL EXPENSES	\$205 MILLION
OTHER SERVICES	\$153 MILLION
GROCERIES AND CONVENIENCE STORES	\$145 MILLION
..... SECOND HOME SPENDING	
PROPERTY TAXES	\$200 MILLION
UTILITIES AND FUEL	\$100 MILLION
MAINTENANCE, INSURANCE AND MANAGEMENT	\$40 MILLION
CONSTRUCTION AND RENOVATION	\$40 MILLION
.....	
TOTAL	\$2.88 BILLION

TOURISM IMPACT ON VERMONT'S ECONOMY IS SIGNIFICANT

In 2017, tourism brought \$2.8 billion dollars into the State of Vermont.

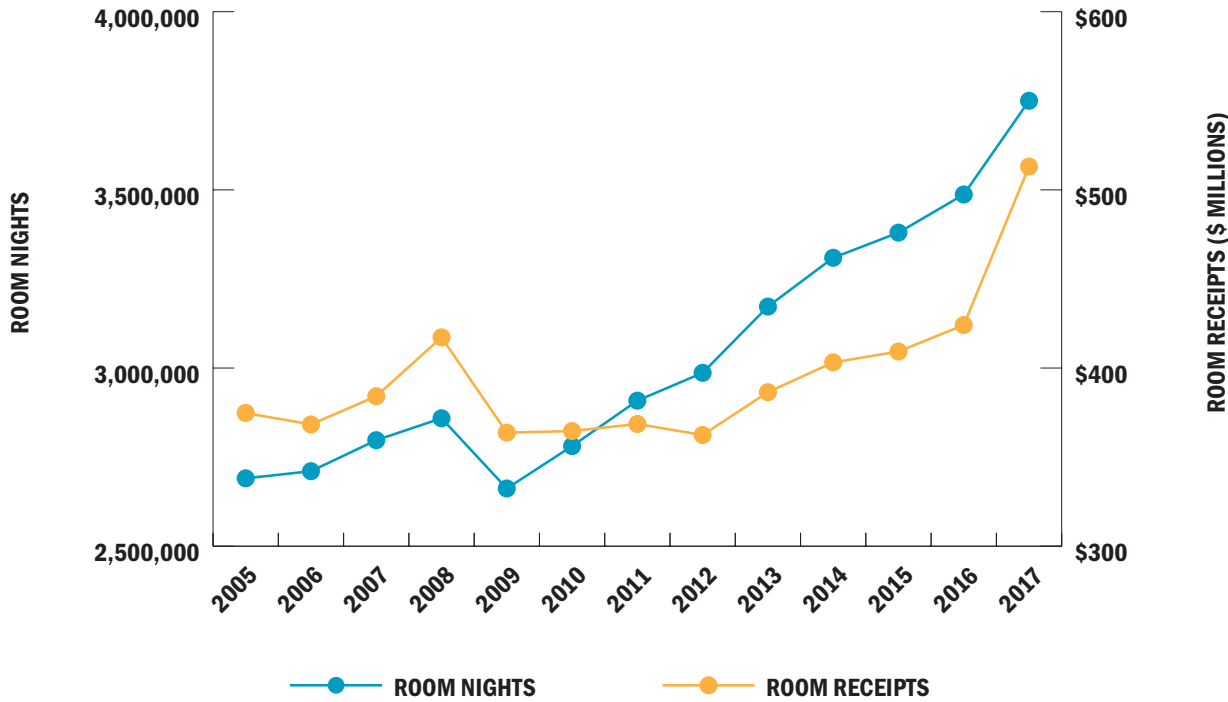
- » **AFTER MANUFACTURING, TOURISM REPRESENTS THE LARGEST CONTRIBUTION OF OUT-OF-STATE MONEY INTO THE STATE'S ECONOMY.**
- » **THE TOURISM INDUSTRY SUPPORTS 32,204 JOBS, WHICH MAKES UP ABOUT 10% OF VERMONT'S WORKFORCE.**
- » **WAGES FROM THOSE JOBS ARE \$1.05 BILLION AND MAKE UP 6.1% OF ALL INCOME EARNED IN THE STATE.**
- » **ECONOMIC ACTIVITY IN THE ACCOMMODATIONS SECTOR GENERATES THREE TIMES MORE DOLLAR VOLUME IN VERMONT THAN COMPARED TO THE UNITED STATES AVERAGE.**

VERMONT TAX REVENUE FROM THE TOURISM INDUSTRY

VERMONT INCOME TAX	\$35 MILLION
MEALS AND ROOMS TAX	
ROOMS	\$54 MILLION
MEALS	\$44 MILLION
ALCOHOL	\$10 MILLION
SALES TAX	\$30 MILLION
PROPERTY TAX (ED FUND)	\$130 MILLION
PROPERTY TAX (LOCAL GOVERNMENT SUPPORT)	\$70 MILLION
GASOLINE TAX	\$18 MILLION
.....	
TOTAL	\$391 MILLION

THESE TAX DOLLARS PROVIDE A TAX REDUCTION OF \$1,450 PER VERMONT HOUSEHOLD.

VISITATION TRENDS REMAIN STRONG



VISITS TO VERMONT

TOTAL VISITORS: **13.1 MILLION**
 TOTAL OVERNIGHT STAYS: **7.8 MILLION**
 TOTAL VISITOR NIGHTS: **22.0 MILLION**

WHERE VISITORS STAY (PER OVERNIGHT STAYS)



42% OVERNIGHT LODGING
30% SECOND HOME
24% FRIENDS AND FAMILY
4% CAMPGROUND

OVERNIGHT LODGING PROPERTIES

The overall trend in rooms receipts suggests increases in both room rental receipts and room nights rented. Room receipts increased 14% over 2015. This large jump is due, in part, to added revenue from AirBnB and similar short-term rental platforms, which are counted in this category for the first time.

WHERE VISITORS COME FROM



MA
21%



NY
17%



CT
9%



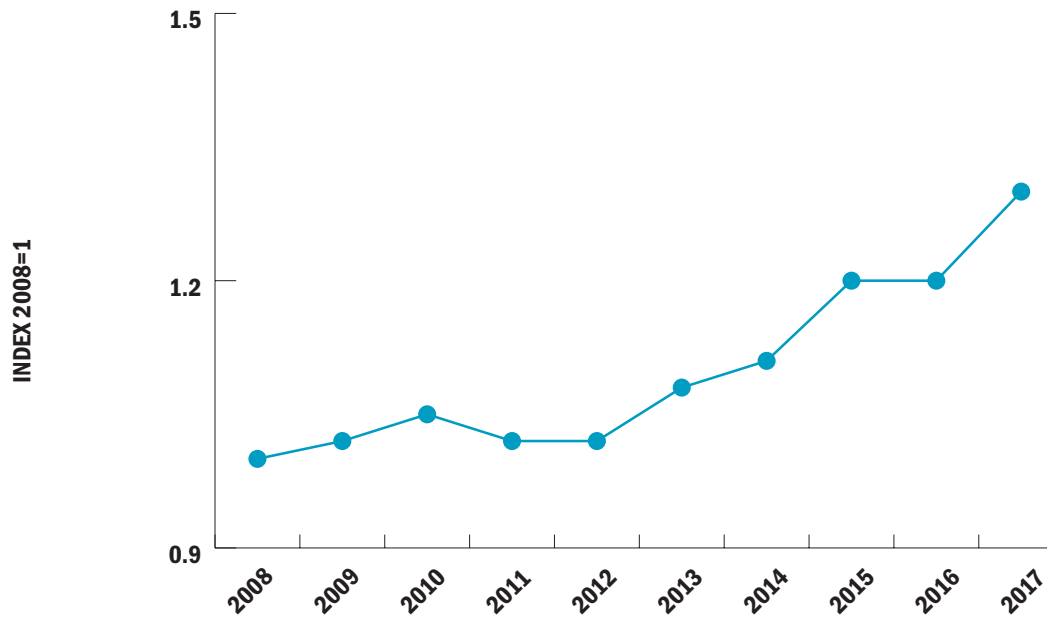
NJ
7%



NH
7%



VISITOR VEHICLE TRAFFIC INDEX 2008 - 2017



AUTOMOBILE TRAFFIC

Automobile traffic on the roads visitors use to access the state continues to increase slightly year over year. This traffic index is measured from southbound traffic on I-89, I-91, and Route 7 on holidays and Sundays.

» **SINCE 2008 TRAFFIC VOLUME HAS INCREASED 30%**

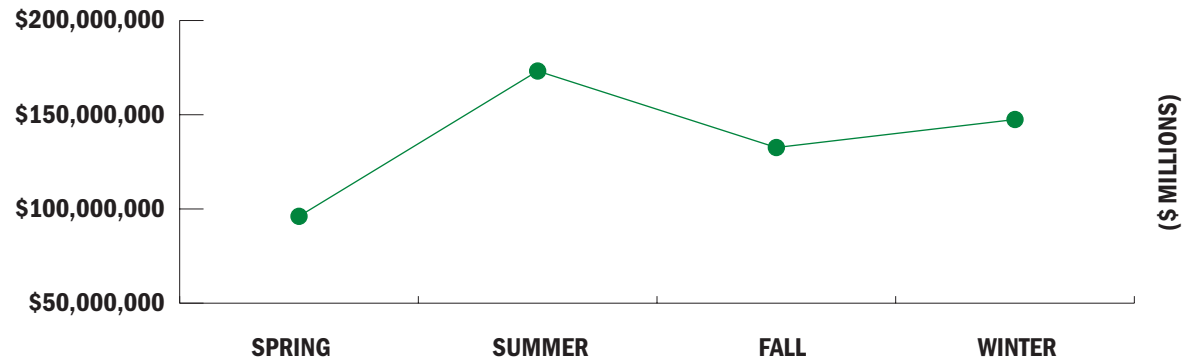




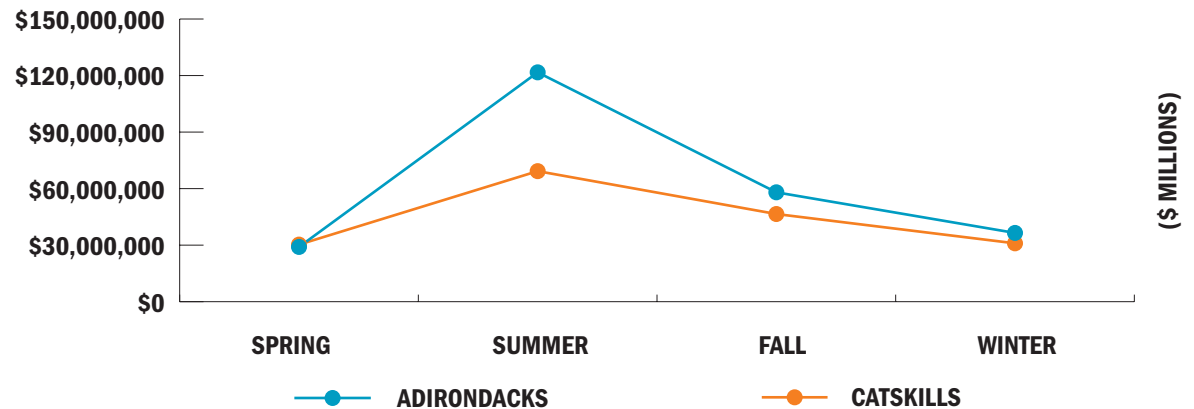
LODGING RECEIPTS SEASONALITY IN VERMONT

WINTER MAKES VERMONT UNIQUE

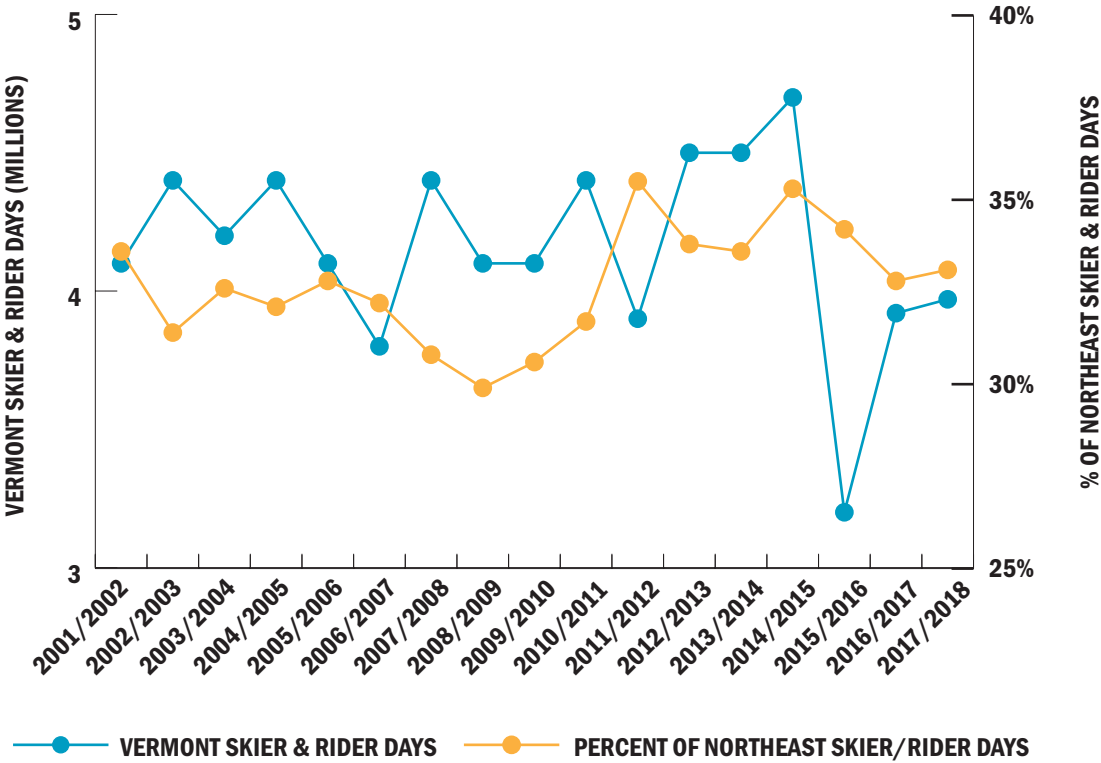
The biggest economic contributor in outdoor recreation is skiing and snowboarding. Resorts throughout the state are investing in resort infrastructure and facilities. The result is a winter season that creates a significant level of economic activity. Similar growth in winter tourism volume is not seen in the recreation zones of New York and New Hampshire.



LODGING RECEIPTS PATTERN IN THE ADIRONDACKS & CATSKILLS OF NEW YORK



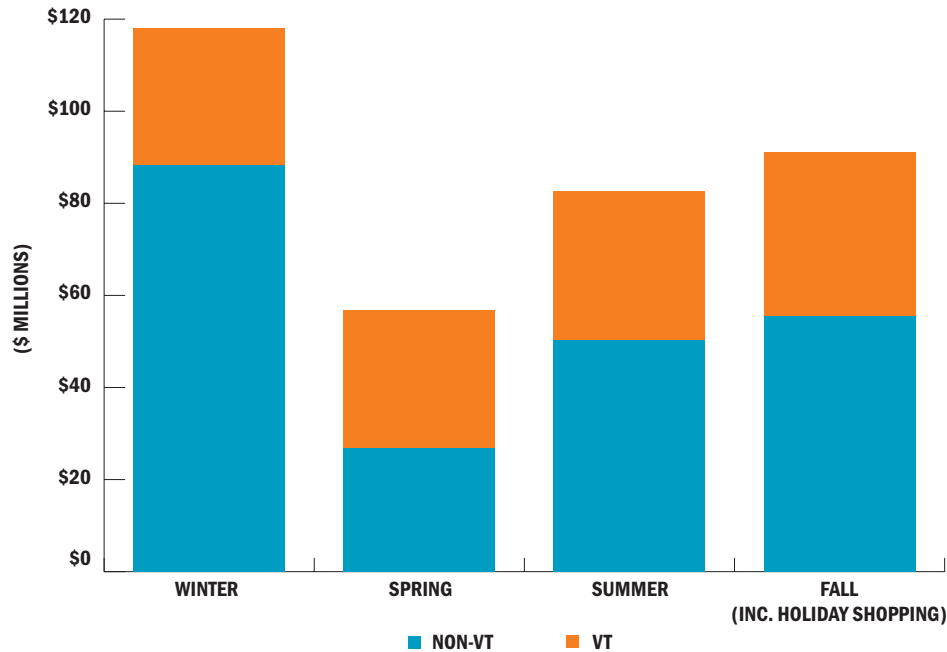
VERMONT SKIER AND RIDER DAYS AS A PART OF THE NORTHEASTERN US



WINTER TOURISM MARKET SHARE

Skier and rider day totals remain steady in Vermont, in part, because of decent snow quality and weather during the past two seasons. For the 2017-2018 season, Vermont saw almost four million skier and rider days. When Vermont skier days are compared to northeast skier days, Vermont is growing its market share.

SPENDING PATTERNS IN SKI TOWNS



OVERALL SPENDING

An analysis of credit card data from 35 ski towns reveals that tourism dollars drive spending around winter recreation centers.

PERCENTAGE OF OUT OF STATE SPENDING IN SKI TOWNS

RESTAURANT SPENDING

WINTER **79%**
 SPRING **57%**
 SUMMER **69%**
 FALL **71%**

MOTOR FUEL SPENDING

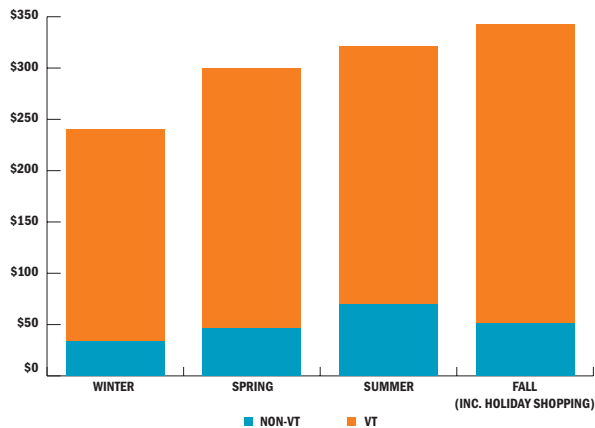
WINTER **49%**
 SPRING **32%**
 SUMMER **41%**
 FALL **38%**

LODGING SPENDING

WINTER **94%**
 SPRING **86%**
 SUMMER **92%**
 FALL **92%**

RETAIL SPENDING

WINTER **61%**
 SPRING **47%**
 SUMMER **57%**
 FALL **53%**

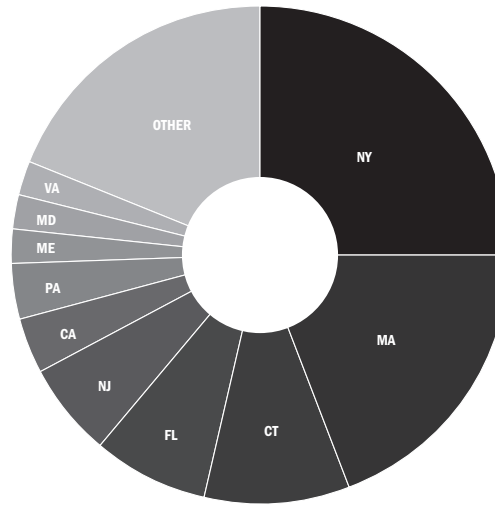


SPENDING PATTERNS IN THE BURLINGTON AREA

For comparison here is the similar data for the Burlington area.

SECOND HOME CONTRIBUTIONS MATTER

The economic impact of second homes continues to increase. Beyond property taxes, second home owners contribute to increased expenditures in food, household furnishings, and maintenance.



SECOND HOME OWNERSHIP USING GROCERY SALES



NY
25%



MA
19%



CT
9%



FL
8%



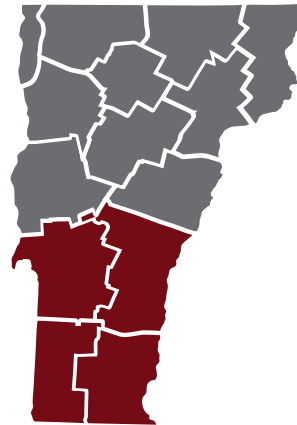
NJ
6%

PRIMARY RESIDENCE OF SECOND HOME OWNERS

20% OF VERMONT HOUSING IS SECOND HOME OWNERSHIP. SECOND HOMES CONTRIBUTE \$200 MILLION IN STATE AND LOCAL PROPERTY TAXES. SECOND HOME VISITATION ROSE 3% IN 2017.

TOURISM IMPACT FOR SOUTHERN VERMONT

VERMONT'S SOUTHERN COUNTIES (RUTLAND, WINDSOR, BENNINGTON, WINDHAM) RELY ON TOURISM TO GROW THEIR ECONOMIES. THESE COUNTIES ALSO PROVIDE SUBSTANTIAL TAX REVENUE TO THE STATE.



PERCENTAGE OF OUT OF STATE SPENDING IN SOUTHERN VERMONT

Credit card data* reveals significant out of state spending throughout the year in southern Vermont communities.

RESTAURANT	MOTOR FUEL	LODGING	RETAIL
WINTER 72%	WINTER 37%	WINTER 93%	WINTER 41%
SPRING 52%	SPRING 31%	SPRING 89%	SPRING 35%
SUMMER 62%	SUMMER 37%	SUMMER 93%	SUMMER 45%
FALL 60%	FALL 33%	FALL 92%	FALL 41%

* Excludes Ski Towns

40% OF ROOMS TAX COMES FROM SOUTHERN VERMONT. 50% OF SECOND HOME PROPERTY TAX IS GENERATED FROM VERMONT'S LOWER FOUR COUNTIES.



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