TOURISM SATELLITE ACCOUNT

NEW HAMPSHIRE FISCAL YEAR 2014

Prepared for the New Hampshire

Division of Travel and Tourism Development

by

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EXECUTIVE SUMMARY

The following describes key characteristics of the New Hampshire travel and tourism industry during fiscal year (FY) 2014.

Visitor Counts and Spending

- A total of 36.6 million travelers and tourists visited New Hampshire (Table 26) and spent $4.95 billion (Table 17).
- Direct spending of $4.95 billion is an increase of 12.1 percent over the FY 2012 level (Table 6). The U.S. Bureau of Economic Analysis reports that the national direct tourism output increased by 8 percent during the same period.
- This estimated direct traveler spending supported additional sales of $2.4 billion in supply industries (Table 11). Earnings of the workers in the tourism industry and its supply industries supported additional sales of $7.8 billion (Table 12). In sum, the total contribution to the state's economy of the traveler spending (direct, indirect and induced) was $15.2 billion.
- The typical tourist and traveler spent 62 cents of every dollar at the hospitality and leisure sector; 24 cents at retail stores (including food and gasoline purchases); 8 cents for government services and licenses; 3 cents at the wholesale trade and transportation sector; 1.2 cents for the other services sector; 1.1 cents for agricultural products, and 0.7 cents for educational and health care services (Table 11).
- The summer season attracts more visitors than any other season (Table 26) and has the greatest total spending by visitors (Table 17). When examined by region, the Merrimack Valley Region attracts more visitors than other regions in the state (Table 26) and has the greatest spending by visitors (Table 17).

Payrolls and Jobs

- The 4.95 billion dollars in direct traveler spending in FY 2014 supported an estimated 74,892 direct full and part-time jobs (Table 13), with payrolls and other earnings of $1.7 billion.
- The 2.4 billion dollars in indirect spending by traveler-supported businesses sustained an estimated additional 15,933 full and part-time jobs (Table 13) with a total payroll and earnings of $853 million.
- The direct and indirect jobs supported by tourism spending were 10.2 percent of all employment in the state, higher than the 9.9 percent of all jobs in FY 2012.
- The direct and indirect payroll was 4.2 percent of the total state-wide payroll, unchanged from FY 2012.

Government Revenue

- Total State government revenues from fees and taxes paid by travelers are estimated at $398 million for FY 2014 up from $390 million in FY 2012 (Table 6).
- During the same period, the state's general and educational funds (the state's primary operating funds) declined by 0.4%.
- The meals and rental tax was the largest single source of state government revenues, marking an estimated $177 million (Table 6).

Importance of Travel and Tourism to the state

- Travel and tourism was the largest export sector in terms of employment (Table 7).
- It is also one of the largest sources of revenue to the state government. Travelers to the state contributed $398 million during FY 2014 (Table 6), while the state's entire general and educational fund was $2.2 billion.
- Although not included in estimating the contribution of the tourism industry, seasonal homes (more than 10% of residential homes in New Hampshire, according to the U.S. Census Bureau) in the state are largely tourism-related. These tourism-related properties are the largest source of tax revenue to many local governments in the state.

LIST OF TABLES

I. TRAVELER SPENDING

Table 1: Traveler Spending by Category

	FY 2014	% of Total
Eating and Drinking	$1,541	31.1%
Accommodations	$827	16.7%
Recreation	$775	15.7%
Food Stores	$378	7.6%
Retail Stores	$714	14.4%
Ground Transportation	$438	8.9%
Air Trans. & Services	$277	5.6%
Total	$4,950	100.0%

In millions of dollars

Spending breakouts by category are reflective of the nature of the state's tourism sector. The state's proximity to large cities means that a larger share of travelers are day trippers, who tend to spend more on restaurant meals, shopping and recreation than on lodging.

Table 2: Traveler Spending by Travel Region

Spending breakouts by travel region shows the relative importance of the seven travel regions in the state's tourism sector, and the performance of each individual region during the study period.

The estimate for Great North Woods in FY12 does not include BALSAMS. Thus the reported percent change for the Great North Wood Region reflect the performance of the BALSAMS less tourism sector in the region. The true percent change for the region is slightly worse than the reported figure by as much as the loss of the Grand Resort, which has been closed since Fall 2011.

	FY 12	FY 14	% Change
Great North Woods	83	81	-2.2%
White Mountain	1,108	1,264	14.0%
Lakes	526	593	12.6%
Dart-Lake Sunapee	206	220	6.9%
Monadnock	246	272	10.5%
Merrimack Valley	1,325	1,456	10.0%
Seacoast	923	1,064	15.4%
Total	4,417	4,950	12.1%

In millions of dollars

Table 3

FISCAL YEAR 2014 ROOMS AND MEALS SALES TO TRAVELERS

Sales are 11.1 X Tax Receipts Minus Estimated Sales to Non-travelers

	FY 2013	% State	FY 2014	% State	% Change
State	$1,761	100%	$1,880	100%	6.7%
County					
Belknap	$124	7%	$129	7%	4.1%
Carroll	$188	11%	$200	11%	6.7%
Cheshire	$63	4%	$68	4%	7.6%
Coos	$62	4%	$64	3%	3.2%
Grafton	$221	13%	$238	13%	7.7%
Hillsborough	$384	22%	$404	22%	5.3%
Merrimack	$129	7%	$139	7%	7.9%
Rockingham	$482	27%	$527	28%	9.1%
Strafford	$94	5%	$100	5%	5.8%
Sullivan	$14	1%	$10	1%	-25.6%
Region					
Great North Woods	$17	1%	$17	1%	3.2%
White Mountain	$356	20%	$380	20%	6.7%
Lakes Region	$210	12%	$221	12%	5.3%
Dartmouth-L.S.	$79	4%	$81	4%	1.9%
Monadnock	$109	6%	$116	6%	6.6%
Merrimack Valley	$573	33%	$611	33%	6.7%
Seacoast	$418	24%	$454	24%	8.6%

This program calculates Regions' sales from Counties' sales.
Sales are in millions of dollars. DRA data adjusted by INHS.
Sales do not include campgrounds or vehicle rentals.
These numbers do not include tips and state tax collected.

Table 4

NEW HAMPSHIRE TRAVEL SPENDING, EMPLOYMENT AND RELATED IMPACTS: FY 1988 TO FY 2012

	1988	1990	1992	1994	1996	1998	2000	2002	2004	2006	2008	2010	2012	2014
Spending														
Eating and Drinking	$660	$719	$782	$892	$1,063	$916	$925	$1,101	$1,160	$1,334	$1,541	$660	$719	$782
Accommodations	$277	$336	$387	$485	$520	$501	$516	$759	$624	$738	$827	$277	$336	$387
Recreation	$331	$400	$538	$544	$665	$689	$704	$617	$649	$716	$775	$331	$400	$538
Food Stores	$215	$222	$247	$267	$282	$297	$308	$299	$345	$351	$378	$215	$222	$247
retail Stores	$607	$480	$600	$730	$650	$849	$901	$882	$508	$584	$714	$607	$480	$600
Ground Transportation	$190	$225	$228	$245	$235	$335	$409	$404	$409	$424	$438	$190	$225	$228
Air Trans. & Services	$230	$282	$323	$466	$319	$378	$427	$440	$248	$270	$277	$230	$282	$323
Total	$2,510	$2,664	$3,105	$3,629	$3,734	$3,965	$4,190	$4,502	$3,943	$4,417	$4,950	$2,510	$2,664	$3,105
Total in 1992 dollars	$2,375	$2,383	$2,673	$2,957	$2,912	$2,945	$2,916	$2,934	$2,537	$2,699	$2,934	$2,375	$2,383	$2,673
Employment														
Eating and Drinking	24,083	23,731	25,428	26,280	26,293	26,514	25,037	24,043	24,464	28,552	32,119	24,083	23,731	25,428
Accommodations	10,107	11,124	12,580	13,353	12,457	12,583	12,406	15,067	13,160	15,804	17,228	10,107	11,124	12,580
Recreation	12,078	12,661	14,886	14,365	16,449	15,834	15,135	12,417	13,747	15,327	16,148	12,078	12,661	14,886
Food Stores	1,608	1,714	1,745	1,712	1,975	2,212	1,788	1,579	1,518	1,462	1,562	1,608	1,714	1,745
retail Stores	4,538	4,226	5,048	5,227	4,279	5,976	3,249	3,421	2,235	2,429	2,950	4,538	4,226	5,048
Ground Transportation	1,421	1,533	1,574	1,558	1,516	2,215	2,214	1,955	1,800	1,763	1,810	1,421	1,533	1,574
Air Trans. & Services	2,162	2,550	2,878	6,279	3,686	3,620	4,897	3,995	3,262	3,017	3,075	2,162	2,550	2,878
Total	55,997	57,539	64,139	68,774	66,655	68,954	64,726	62,477	60,186	68,355	74,892	55,997	57,539	64,139
Payroll	$801	$867	$1,029	$1,194	$1,240	$1,371	$1,487	$1,516	$1,397	$1,607	$1,744	$801	$867	$1,029
State Govt Revenue	$248	$255	$287	$307	$317	$325	$340	$361	$378	$390	$398	$248	$255	$287

Table 5: Jobs from Direct Traveler Spending

	FY2014	% of Total
Eating and Drinking	32,119	42.9%
Accommodations	17,228	23.0%
Recreation	16,148	21.6%
Food Stores	1,562	2.1%
Other Retail	2,950	3.9%
Ground Transport	1,810	2.4%
Services & Air Trans	3,075	4.1%
Total	74,892	100.0%

This table shows the full and part time employment per million dollars of sales in each industry. The hospitality industry's share of total jobs (Table 5) is much larger than its share of total spending (Table 1), reflecting that there is a greater share of part-time and seasonal jobs in the industry.

Table 6: Traveler Spending Impacts Summary

The dollars are expressed in millions of dollars.

Payroll includes wage and salary disbursements, supplements to wages and salaries, proprietors' incomes, and others.

	FY 12	FY 14	% Change
Direct Spending	$4,417	$4,950	12.1%
Direct Payroll	$1,607	$1,744	8.5%
Direct Employment	68,355	74,892	9.6%
State Govt. Receipts	$390	$398	2.1%
Local Govt. Receipts	$36	$38	3.1%

Breakouts of State Govt. Receipts

Meals and Rental	$176.8
State liquor store	$50.2
Business tax	$30.4
Tobacco/beer	$18.6
Parks and recreation	$18.2
Lottery	$15.5
Gas tax	$9.9
Tolls	$6.8
Communication tax	$1.9
Other	$69.8

Breakouts of Local Govt. Receipts

Parks and Recreation	$20.3
Airport	$2.3
Parking	$0.6
Other	$14.5

Table 7: Direct Export Employment

	FY 2014	% of Total
Travel & Tourism	67,403	21.5%
Manufacturing	62,224	19.9%
Other Services	42,576	13.6%
Ed, HC Services	36,720	11.7%
Construction	32,511	10.4%
WT/Trans	26,561	8.5%
Retail Trade	24,205	7.7%
Fin, Ins, Real Est	10,801	3.5%
Util/Info	7,530	2.4%
Ag, Min, For	2,395	0.8%
Total	312,926	100.0%

This table represents the number of full- and part-time employees in the industries that are supported by sales made outside New Hampshire. Travel and Tourism not only includes the hospitality industry but also other industries that sell to non-resident travelers.

Travel & Tourism surpassed manufacturing and rose to the state's top exporting industry in terms of employment. Jobs in Travel & Tourism grew by 11% between FY12 and FY14, while jobs in manufacturing grew by 1%.

Retail Trade is ranked lower in export employment (Table 7) than total covered employment (Table 8) because the industry's employment supported by sales made to non-resident travelers are included in Travel and Tourism, instead.

Table 8: Major New Hampshire Employment Sectors

The hospitality and leisure sector includes only private sector eating and drinking, accommodations, and recreation establishments. It does not include other tourism industries such as retail trade, and government recreational facilities supported by traveler spending.

	Covered Employment	% of Total
Retail Trade	94,774	20.8%
Health Services	85,918	18.9%
Manufacturing	66,280	14.6%
Hospitality & Leisure	66,678	14.7%
Prof/Technical Services	32,101	7.1%
Admin/Waste Services	31,761	7.0%
Finance/Insurance	27,844	6.1%
Wholesale Trade	26,913	5.9%
Construction	22,805	5.0%
Total	455,073	100.0%

Table 9: Industry Purchases and Sales Table, Input/Output Model, Fiscal Year 2014

	Ag/Fr/Mining	Construction	Manufactrng	Hosp & Leisr	Retail	WTrd/Tran	Utl/Inf	FIRE	Ed/HC/SServ	OthServices	Gov't	Hshld Expn	Exports	TOTAL
Ag/For/Mining	$22	$78	$90	$16	$85	$163	$21	$15	$11	$13	$57	$122	$236	$931
	2.4%	1.0%	0.5%	0.4%	0.3%	0.7%	0.2%	0.1%	0.1%	0.1%	0.5%	0.2%		
Construction	$12	$163	$54	$83	$337	$93	$96	$98	$318	$212	$513	$1,329	$4,479	$7,787
	1.3%	2.1%	0.3%	2.0%	1.2%	0.4%	0.9%	0.6%	2.7%	1.6%	4.3%	2.2%		
Manufacture	$25	$303	$361	$8	$225	$468	$118	$15	$11	$13	$800	$61	$15,629	$18,038
	2.7%	3.9%	2.0%	0.2%	0.8%	2.0%	1.1%	0.1%	0.1%	0.1%	6.7%	0.1%		
Hospitality&Le	$2	$8	$36	$8	$28	$47	$21	$15	$23	$53	$80	$1,352	$2,488	$4,162
	0.2%	0.1%	0.2%	0.2%	0.1%	0.2%	0.2%	0.1%	0.2%	0.4%	0.7%	2.2%		
Retail Trade	$49	$405	$18	$33	$56	$234	$10	$15	$46	$40	$0	$20,349	$6,860	$28,114
	5.3%	5.2%	0.1%	0.8%	0.2%	1.0%	0.1%	0.1%	0.4%	0.3%	0.0%	33.2%		
WTrd/Tran	$140	$467	$2,706	$279	$3,374	$1,404	$321	$211	$386	$477	$259	$835	$12,549	$23,408
	15.0%	6.0%	15.0%	6.7%	12.0%	6.0%	3.0%	1.3%	3.2%	3.6%	2.2%	1.4%		
Utl/Info	$72	$288	$992	$216	$1,125	$609	$214	$163	$357	$371	$82	$1,938	$4,255	$10,682
	7.7%	3.7%	5.5%	5.2%	4.0%	2.6%	2.0%	1.0%	3.0%	2.8%	0.7%	3.2%		
FIRE	$15	$148	$631	$133	$984	$866	$214	$765	$466	$544	$254	$9,263	$1,983	$16,264
	1.6%	1.9%	3.5%	3.2%	3.5%	3.7%	2.0%	4.7%	3.9%	4.1%	2.1%	15.1%		
Ed/HC/SServ	$4	$46	$108	$42	$309	$211	$96	$2,765	$136	$398	$2,199	$2,299	$3,290	$11,902
	0.4%	0.6%	0.6%	1.0%	1.1%	0.9%	0.9%	17.0%	1.1%	3.0%	18.5%	3.7%		
OtherServices	$27	$296	$722	$162	$984	$679	$310	$943	$353	$531	$1,039	$3,770	$3,436	$13,251
	2.9%	3.8%	4.0%	3.9%	3.5%	2.9%	2.9%	5.8%	3.0%	4.0%	8.7%	6.1%		
Gov't	$48	$268	$621	$445	$1,418	$853	$470	$567	$223	$456	$398	$3,797	$2,342	$11,906
	5.2%	3.4%	3.4%	10.7%	5.0%	3.6%	4.4%	3.5%	1.9%	3.4%	3.3%	6.2%		
Hshld Inc	$210	$2,976	$5,368	$1,787	$3,932	$3,445	$1,716	$4,137	$6,874	$8,458	$5,026	$0	$17,400	$61,330
	22.6%	38.2%	29.8%	42.9%	14.0%	14.7%	16.1%	25.4%	57.8%	63.8%	42.2%			
Imports	$305	$2,340	$6,331	$948	$15,258	$14,336	$7,076	$6,553	$2,700	$1,685	$1,199	$16,215		
	32.8%	30.1%	35.1%	22.8%	54.3%	61.2%	66.2%	40.3%	22.7%	12.7%	10.1%	26.4%		
TOTAL	$931	$7,787	$18,038	$4,162	$28,114	$23,408	$10,682	$16,264	$11,902	$13,251	$11,906	$61,330		$207,774
direct & indirect multiplier	1.63	1.45	1.49	1.50	1.45	1.34	1.25	1.46	1.27	1.33	1.66			
direct, indirect & induced multiplier	2.83	3.02	2.81	3.32	2.29	2.12	2.02	2.88	3.30	3.63	3.80	3.02		

Table 10: Industry Employment Table, Input/Output Model, Fiscal Year 2014

	Ag/Fr/ Mining	Constructi on	Manufactrng	Hosp&Leisr	Retail	WTrd/Tra n	Utl/Inf	FIRE	Ed/HC/SS erv	OthServic es	Gov't	Hshld Expn	Exports	TOTAL
Ag/For/Mining	280	986	1,150	208	1,075	2,079	273	194	138	169	731	1,555	3,003	11,842
	2.4%	1.7%	1.6%	0.2%	0.9%	4.2%	1.4%	0.2%	0.1%	0.1%	0.8%			
Construction	89	1,184	393	602	2,446	677	697	712	2,306	1,540	3,721	9,646	32,511	56,525
	0.8%	2.1%	0.5%	0.7%	2.1%	1.4%	3.7%	0.8%	1.7%	0.9%	4.3%			
Manufacture	101	1,207	1,436	33	897	1,865	468	61	43	53	3,185	243	62,224	71,816
	0.9%	2.1%	2.0%	0.0%	0.8%	3.7%	2.5%	0.1%	0.0%	0.0%	3.7%			
Hospitality&Le	35	171	767	173	595	997	453	322	483	1,121	1,691	28,564	52,568	87,940
	0.3%	0.3%	1.1%	0.2%	0.5%	2.0%	2.4%	0.4%	0.4%	0.7%	1.9%			
Retail Trade	205	1,696	75	137	236	979	43	64	191	167	2	85,236	28,734	117,765
	1.7%	3.0%	0.1%	0.2%	0.2%	2.0%	0.2%	0.1%	0.1%	0.1%	0.0%			
WTrd/Tran	298	999	5,782	597	7,210	3,001	686	452	825	1,020	553	1,784	26,818	50,025
	2.5%	1.8%	8.1%	0.7%	6.1%	6.0%	3.6%	0.5%	0.6%	0.6%	0.6%			
Utl/Info	127	510	1,756	383	1,991	1,078	378	289	632	658	146	3,431	7,534	18,913
	1.1%	0.9%	2.4%	0.4%	1.7%	2.2%	2.0%	0.3%	0.5%	0.4%	0.2%			
FIRE	80	807	3,439	726	5,359	4,715	1,163	4,167	2,537	2,962	1,383	50,462	10,801	88,601
	0.7%	1.4%	4.8%	0.8%	4.6%	9.4%	6.2%	4.7%	1.9%	1.8%	1.6%			
Ed/HC/SServ	46	522	1,221	474	3,480	2,374	1,083	31,163	1,533	4,484	24,780	25,908	37,075	134,141
	0.4%	0.9%	1.7%	0.5%	3.0%	4.7%	5.7%	35.2%	1.1%	2.7%	28.5%			
OtherServices	339	3,730	9,090	2,046	12,389	8,552	3,899	11,882	4,439	6,681	13,080	47,481	43,267	166,875
	2.9%	6.6%	12.7%	2.3%	10.5%	17.1%	20.6%	13.4%	3.3%	4.0%	15.0%			
Gov't	351	1,959	4,538	3,251	10,371	6,238	3,438	4,143	1,630	3,333	2,911	27,768	17,126	87,056
	3.0%	3.5%	6.3%	3.7%	8.8%	12.5%	18.2%	4.7%	1.2%	2.0%	3.3%			
Hshld Inc	4,036	23,934	19,350	51,814	14,695	3,385	1,236	13,604	85,717	120,652	28,158			
	34.1%	42.3%	26.9%	58.9%	12.5%	6.8%	6.5%	15.4%	63.9%	72.3%	32.3%			
Imports	5,853	18,821	22,819	27,498	57,021	14,085	5,096	21,549	33,666	24,034	6,717			
	49.4%	33.3%	31.8%	31.3%	48.4%	28.2%	26.9%	24.3%	25.1%	14.4%	7.7%			
TOTAL	11,842	56,525	71,816	87,940	117,765	50,025	18,913	88,601	134,141	166,875	87,056			891,500
Direct & Indirect Multipliers	1.53	1.54	1.70	1.32	1.73	2.08	2.18	2.01	1.19	1.39	1.75			
Direct Indirect & Induced Multipliers	1.57	2.09	2.76	1.44	2.28	3.21	3.44	2.64	1.76	1.80	2.74	2.34	1.57	

II. ECONOMIC CONTRIBUTION OF TRAVEL AND TOURISM SECTOR

Table 11: Direct and Indirect Traveler Spending

Sector	Direct	Indirect	Total	%
Ag/Mn/For	$53	$30	$83	1.1%
Construction	$0	$140	$140	1.9%
Manufacturing	$0	$102	$102	1.4%
Hosp & Leisure	$3,068	$18	$3,086	41.8%
Retail Trade	$1,201	$48	$1,249	16.9%
WTrd/Trans	$133	$485	$618	8.4%
Ut/Info	$2	$278	$280	3.8%
FIRE	$0	$236	$236	3.2%
Ed/HC Services	$35	$275	$310	4.2%
Other Services	$61	$318	$379	5.1%
Government	$396	$497	$893	12.1%
Total	$4,950	$2,426	$7,377	100.0%

In millions of dollars

This table shows how direct spending by travelers spread across all eleven industrial sectors through the indirect multiplier. Indirect spending represents the purchases of supplies from industries where traveler spending occurred as a result of these direct sales. Total direct traveler spending was $5.0 billion and the sum of total direct and total indirect spending was $7.4 billion, which resulted in the indirect multiplier of 1.49. It means that for each dollar spent, an additional 49 cents had also circulated through the state's economy.

Table 12: Direct, Indirect and Induced Traveler Spending

This table shows how total direct spending by travelers spreads across all eleven industrial sectors and households through the indirect and induced multiplier. Induced spending represents sales made by workers who earned incomes as a result of direct and indirect traveler spending. Total direct traveler spending was $5.0 billion and the sum of total direct, total indirect and total induced spending was $15.2 billion, which resulted in the indirect and induced multiplier of 3.07. It means that for each dollar spent by the traveler, an additional $2.07 had also circulated through the state's economy.

The induced impact can be found by (Second Column of Table 12) – (Second Column of Table 11). The largest induced impact tends to be on retail trade, finance, insurance, and real estate, and other services. These are the sectors where households spend the greatest share of their incomes.

Sector	Direct	I&I	Total	%
Ag/Mn/For	$53	$50	$103	0.7%
Construction	$0	$284	$284	1.9%
Manufacturing	$0	$161	$161	1.1%
Hosp & Leisure	$3,068	$110	$3,179	20.9%
Retail Trade	$1,201	$1,328	$2,529	16.6%
WTrd/Trans	$133	$787	$920	6.1%
Ut/Info	$2	$509	$511	3.4%
FIRE	$0	$953	$953	6.3%
Ed/HC Services	$35	$650	$685	4.5%
Other Services	$61	$728	$789	5.2%
Government	$396	$896	$1,291	8.5%
Households	$0	$3,803	$3,803	25.0%
Total	$4,950	$10,259	$15,210	100.0%

In millions of dollars

Table 13: Direct and Indirect Traveler Supported Employment

Sector	Direct	Indirect	Total	%
Ag/Mn/For	676	379	1,055	1.2%
Construction	-	1,016	1,016	1.1%
Manufacturing	-	407	407	0.4%
Hosp & Leisure	64,838	379	65,218	71.8%
Retail Trade	5,033	199	5,232	5.8%
WTrd/Trans	285	1,036	1,321	1.5%
Ut/Info	4	492	496	0.5%
FIRE	-	1,288	1,288	1.4%
Ed/HC Services	394	3,097	3,491	3.8%
Other Services	768	4,004	4,772	5.3%
Government	2,893	3,635	6,528	7.2%
Total	74,892	15,933	90,825	100.0%

This table shows that how direct spending by travelers spreads employment across all eleven industrial sectors through the indirect multiplier effect. First Column shows direct employment that occurs in each economic sector as a result of total direct traveler spending. Total direct employment in the first Column is 74,892 jobs and the sum of total direct and total indirect jobs 90,825, which resulted in the indirect multiplier of 1.21. It means that for each one hundred jobs created by direct traveler spending, an additional 21 jobs had also been supported through the state's economy.

Table 14: Direct, Indirect and Induced Traveler Supported Employment

This table shows that how direct employment expands across all eleven industrial sectors and households through the indirect and induced multiplier effect. Total direct employment was 74,892 jobs and the sum of total direct and total indirect/induced jobs 116,945, which resulted in the indirect and induced multiplier of 1.56. It means that for each one hundred jobs created by direct traveler spending, an additional 56 jobs had also been supported through the state's economy.

The induced impact can be found by (Second Column of Table 14) – (Second Column of Table 13). The largest induced impact tends to be on retail trade, finance, insurance, and real estate, and other services. These are the sectors where households spend the greatest share of their incomes.

Sector	Direct	I&I	Total	%
Ag/Mn/For	676	633	1,309	1.1%
Construction	-	2,065	2,065	1.8%
Manufacturing	-	639	639	0.5%
Hosp & Leisure	64,838	2,331	67,170	57.4%
Retail Trade	5,033	5,562	10,595	9.1%
WTrd/Trans	285	1,682	1,967	1.7%
Ut/Info	4	901	906	0.8%
FIRE	-	5,192	5,192	4.4%
Ed/HC Services	394	7,331	7,726	6.6%
Other Services	768	9,167	9,935	8.5%
Government	2,893	6,549	9,443	8.1%
Total	74,892	42,053	116,945	100.0%

Table 15: Direct, Indirect and Induced Employment Supported by Exports

Sector	Direct	I & I	Total	%
Ag/Mn/For	2,395	1,114	3,509	0.4%
Construction	32,511	30,662	63,173	7.1%
Manufacturing	62,224	97,674	159,898	17.9%
Hosp & Leisure	67,403	30,538	97,940	11.0%
Retail Trade	24,205	27,244	51,449	5.8%
WTrd/Trans	26,561	52,814	79,375	8.9%
Ut/Info	7,530	16,561	24,091	2.7%
FIRE	10,801	15,726	26,526	3.0%
Ed/HC Services	36,720	23,461	60,182	6.8%
Other Services	42,576	28,649	71,224	8.0%
Subtotal	312,926	324,443	637,369	71.5%
Govt Programs	16,760	75,345	92,105	10.3%
Investments		115,964	115,964	13.0%
Out-Commuters	-	46,062	46,062	5.2%
Total	329,686	561,813	891,500	100.0%

Exports are defined as sales made to out-of-state residents. The direct, indirect and induced jobs supported by the industry export has been estimated here. In other words, this table does not include sales made to in-state residents.

(Direct Column) = (Export Column of Table 10) – (Direct Column of Table 14) * (Share of Sales made to out-of-state travelers)

Govt. Programs represent those jobs supported by the federal government (through grants to state and local governments, federal employment within the state, Social Security, Medicare, pensions for former federal employees, and the operation of federal facilities in the state).
This table also includes out-of-state investment earning and salaries and wages earned by those who commute to work outside the state.

Table 16: Direct, Indirect and Induced Share of Gross State Product Supported by Exports

Exports are defined as sales made to out-of-state residents. The direct, indirect and induced jobs supported by the industry export has been estimated here. In other words, this table does not include sales made to in-state residents.

(Direct Column) = (Export Column of Table 9) – (Direct Column of Table 12) * (Share of Sales made to out-of-state travelers)

Govt. Programs represent those jobs supported by the federal government (through grants to state and local governments, federal employment, Social Security, Medicare, pensions for former federal employees, and the operation of federal facilities in the state).
This table also includes out-of-state investment earning and salaries and wages earned by those who commute to work outside the state.

Sector	Direct	I & I	Total	%
Ag/Mn/For	70	92	162	0.2%
Construction	1,400	2,047	3,447	5.1%
Manufacturing	6,683	8,633	15,315	22.6%
Hosp & Leisure	2,278	1,991	4,269	6.3%
Retail Trade	1,033	894	1,927	2.8%
WTrd/Trans	2,911	2,121	5,032	7.4%
Ut/Info	1,451	939	2,390	3.5%
FIRE	1,875	2,532	4,407	6.5%
Ed/HC Services	2,103	3,555	5,658	8.3%
Other Services	2,393	4,678	7,071	10.4%
Subtotal	22,197	25,343	46,070	67.9%
Govt Programs	1,444	7,083	8,527	12.6%
Investments		9,484	9,484	14.0%
Out-Commuters	-	3,767	3,767	5.6%
Total	23,641	45,677	67,848	100.0%

In millions of dollars

III. TRAVELER COUNTS AND SPENDING BY TRAVEL REGION AND BY SEASON

Table 17: Estimated Traveler Spending

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	28.0	19.1	21.0	13.1	81.2	1.6%
White Mt	474.7	311.5	285.6	192.1	1,263.8	25.5%
Lakes	271.7	137.0	93.5	90.4	592.6	12.0%
Dart-LS	81.4	56.2	45.7	37.0	220.4	4.5%
Monad	99.5	63.5	47.3	61.4	271.7	5.5%
Mer Val	539.5	327.5	248.2	341.2	1,456.4	29.4%
Seacoast	453.7	227.0	158.8	224.9	1,064.4	21.5%
Total	1,948.5	1,141.7	900.2	960.0	4,950.4	100.0%
Percent	39.4%	23.1%	18.2%	19.4%	100.0%	

Spending here includes both overnight and day trip travelers. The northern regions' share of total traveler spending is greater than their share of total rooms and meals spending by travelers. This is because these regions have a higher proportion of their spending on recreational activities than the southern regions.

In millions of dollars

Table 18: Estimated Traveler Spending per Visitor Day

The higher the average spending per visitor day, the larger the proportion of overnight visitors.

The Great North Woods usually has the highest spending per visitor day while the Monadnock Region has the lowest average spending.

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Average	Rank
Gt N Wds	96.23	108.06	105.49	114.40	103.92	1
White Mt	92.07	99.87	104.43	107.22	98.73	2
Lakes	85.30	88.51	97.08	101.28	89.94	4
Dart-LS	87.18	90.51	103.04	105.22	93.76	3
Monad	72.08	76.80	86.52	92.76	79.54	7
Mer Val	74.12	79.18	87.30	97.35	81.99	5
Seacoast	76.41	75.78	82.77	89.54	79.65	6
Average	80.64	85.06	93.29	97.68	86.75	

Table 19: Estimated Traveler Spending on Rooms and Meals

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	7.7	4.6	4.7	2.8	19.8	0.9%
White Mt	173.6	99.7	87.8	70.5	431.6	20.2%
Lakes	108.8	55.5	40.3	45.5	250.0	11.7%
Dart-LS	31.9	22.5	17.6	17.5	89.4	4.2%
Monad	40.1	32.6	24.0	32.9	129.6	6.1%
Mer Val	212.7	168.7	138.4	177.5	697.2	32.6%
Seacoast	183.7	121.0	90.2	125.4	520.3	24.3%
Total	758.4	504.6	402.8	472.0	2,137.9	100.0%
Percent	35.5%	23.6%	18.8%	22.1%	100.0%	

Rooms and meals spending figures here are larger than those reported in Table 3 because these include estimated taxes and tips.

In millions of dollars, lodging subject to the state rooms tax.
State taxes and tips included in these amounts.

Table 20: Travel Spending for Lodging

Lodging spending in Table 20 includes payments for both lodging and meals purchased at resorts and hotels. The values also include taxes and tips.

All seven regions have their greatest number of overnight travelers during the summer.

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	6.9	4.6	5.0	2.9	19.4	3.0%
White Mt	89.8	52.0	46.0	30.5	218.3	33.3%
Lakes	42.1	18.3	12.1	10.8	83.3	12.7%
Dart-LS	11.8	7.6	6.2	5.2	30.8	4.7%
Monad	9.6	7.9	5.1	6.4	29.0	4.4%
Mer Val	54.5	40.6	27.5	33.9	156.5	23.9%
Seacoast	53.3	27.7	15.1	21.8	118.0	18.0%
Total	268.0	158.8	117.0	111.6	655.3	100.0%
Percent	40.9%	24.2%	17.8%	17.0%	100.0%	

Spending shown in millions of dollars for lodging subject to the state's rooms and meals tax. Taxes and tips are included in these amounts.

Table 21: Paid Lodging Utilization

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Ave.	Rank
Gt N Wds	100.0%	66.8%	73.3%	42.4%	70.6%	3
White Mt	100.0%	57.9%	51.2%	34.0%	60.8%	5
Lakes	100.0%	43.6%	28.7%	25.6%	49.5%	7
Dart-LS	100.0%	64.3%	52.1%	43.7%	65.0%	4
Monad	100.0%	82.6%	53.3%	66.8%	75.7%	1
Mer Val	100.0%	74.5%	50.5%	62.3%	71.8%	2
Seacoast	100.0%	52.0%	28.2%	40.9%	55.3%	6
Average	100.0%	60.6%	44.8%	43.1%	62.1%	

Spending shown in millions of dollars for lodging subject to the state's rooms and meals tax.

This table provides a measure of lodging utilization. Lodging spending in each season is shown in terms of percentage of that in summer. It's assumed that each region operates at 100% capacity during summer and room rates stay the same throughout the year. It's further assumed that each facility/room rented in summer would also be available at other seasons of the year, if there were enough demand.

Promotional activities to attract multi-day conferences, meetings and training sessions as well as recreational travelers during fall, winter and spring seasons should continue as a high priority activity.

Table 22: Regional Share of All Paid Overnight Lodging by Season

Table 22 shows the region's percentage share of seasonal total spending on lodging, including campgrounds.

The White Mountain Region attracts the largest share of overnight travelers throughout the year. And summer is the most popular season for the overnight visitors.

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Average	Percent
Gt N Wds	2.6%	2.9%	4.3%	2.6%	3.1%	7
White Mt	33.5%	32.8%	39.3%	27.4%	33.2%	1
Lakes	15.7%	11.6%	10.3%	9.7%	11.8%	4
Dart-LS	4.4%	4.8%	5.3%	4.6%	4.8%	5
Monad	3.6%	5.0%	4.4%	5.7%	4.7%	6
Mer Val	20.3%	25.6%	23.5%	30.4%	25.0%	2
Seacoast	19.9%	17.5%	12.9%	19.6%	17.5%	3
Total	100.0%	100.0%	100.0%	100.0%	100.0%	

Spending shown in millions of dollars for lodging subject to the state's rooms and meals tax.

Table 23: Estimated Number of Overnight Visitor Days

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	0.30	0.17	0.18	0.12	0.77	2.4%
White Mt	4.84	2.56	1.99	1.42	10.81	33.3%
Lakes	2.68	1.12	0.63	0.71	5.13	15.8%
Dart-LS	0.63	0.52	0.27	0.24	1.66	5.1%
Monad	0.59	0.45	0.22	0.34	1.60	4.9%
Mer Val	2.34	1.77	1.15	1.39	6.65	20.5%
Seacoast	2.68	1.40	0.67	1.05	5.81	17.9%
Total	14.07	7.99	5.12	5.26	32.43	100.0%
Percent	43.4%	24.6%	15.8%	16.2%	100.0%	

This table shows the number of visitor days for all overnight travelers, including those who stay in second homes and with friends and relatives.

The numbers are shown in millions of days, and include all overnight visitors.

Table 24: Estimated Number of Overnight Visitor Trips

The number of visitor days has been divided by the average trip length by season to obtain the number of visitor trips.

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	0.07	0.05	0.05	0.03	0.20	2.1%
White Mt	1.40	0.80	0.55	0.40	3.14	32.7%
Lakes	0.80	0.36	0.18	0.21	1.54	16.1%
Dart-LS	0.18	0.16	0.07	0.06	0.47	4.9%
Monad	0.16	0.16	0.06	0.09	0.47	4.9%
Mer Val	0.70	0.54	0.37	0.43	2.04	21.3%
Seacoast	0.68	0.49	0.23	0.33	1.73	18.0%
Total	3.99	2.56	1.51	1.55	9.60	100.0%
Percent	41.5%	26.6%	15.7%	16.1%	100%	

In millions of trips

Table 25: Estimated Number of Visitor Days

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	0.29	0.18	0.20	0.11	0.78	1.4%
White Mt	5.16	3.12	2.73	1.79	12.80	22.4%
Lakes	3.18	1.55	0.96	0.89	6.59	11.5%
Dart-LS	0.93	0.62	0.44	0.35	2.35	4.1%
Monad	1.38	0.83	0.55	0.66	3.42	6.0%
Mer Val	7.28	4.14	2.84	3.50	17.76	31.1%
Seacoast	5.94	3.00	1.92	2.51	13.36	23.4%
Total	24.16	13.42	9.65	9.83	57.06	100.0%
Percent	42.3%	23.5%	16.9%	17.2%	100.0%	

This table includes both overnight and day trip travelers. Day trip travelers make up 41 percent of all visitor trips.

The number of visitor days equals the number of visitor trips * length of stay.

In millions of days

Table 26: Estimated Number of Visitor Trips

Visitors may be either day or overnight travelers who are visiting for purposes of recreation and business, regardless of the driving distance from home and the travel destination. Visitors also include New Hampshire residents visiting other parts of the state for purposes of recreation and business. Not included are those who are on a regularly scheduled shopping trip and seasonal residents, unless they are on a trip away from their residence.

Region	Sum '13	Fall '13	Win '13-14	Spr '14	Total	Percent
Gt N Wds	0.09	0.06	0.10	0.05	0.31	0.8%
White Mt	1.76	1.19	1.42	0.91	5.28	14.5%
Lakes	1.47	0.81	0.64	0.53	3.44	9.4%
Dart-LS	0.44	0.29	0.27	0.21	1.22	3.3%
Monad	1.08	0.58	0.43	0.53	2.63	7.2%
Mer Val	5.66	2.95	2.21	2.71	13.54	37.0%
Seacoast	4.24	2.31	1.58	2.01	10.14	27.7%
Total	14.75	8.19	6.65	6.96	36.55	100.0%
Percent	40.4%	22.4%	18.2%	19.0%	100.0%	

In millions of trips

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METHODOLOGY

<u>Input-Output Model, FY 2014</u>

The input-output tables describe the economy of the state of New Hampshire. There are two pages of tables for the state - a purchasing and sales table, Table 9 and an employment table, Table 10.

Industry Sectors

The North American Industrial Classification System (NAICS) is used in this report. The state's economy has been divided up into ten industrial sectors, plus government, in this report, with the selection of these sectors providing the opportunity to focus on the tourist and travel industry. The label for each industrial sector is abbreviated in the table. A more complete explanation is provided here.

- The first industry, "Ag/For/Min", includes: agriculture, forestry, commercial fishing and mining.
- The second industry includes all construction.
- The third industry includes all manufacturing.
- The fourth sector, "Hospitality and Leisure", includes eating and drinking places, lodging, and amusements and recreation services.
- The fifth sector includes all of retail trade.
- The sixth sector is "WTrd/Tran" which includes wholesale trade and transportation services.
- The seventh sector is "Ut/Info" includes telecommunications, public utilities, and publishing. The eighth sector is "FIRE" which stands for finance, insurance and real estate services.
- The ninth sector, "Ed/HC Services" includes all educational and health care services including public hospitals, nursing homes, colleges and universities (but not local school districts) and social services organizations.
- The tenth sector includes all of the other services (except those listed above).
- The eleventh sector is federal (within NH only), state and local governments and includes public schools (K-12).
- The other parts of the table include household income and expenses, exports and federal taxes paid, imports and federal government payments received.
- Tourist and traveler spending is not confined to just the hospitality and leisure industrial sector. Traveler surveys by the Institute for New Hampshire Studies were modified by state sales and employment data to estimate total purchases by tourists and travelers and their distribution across the ten industrial sectors.

Data Sources

The information used to create each of these tables is obtained from a variety of sources, but especially the 2010 national (RIMS II) input-output table prepared by the U.S. Bureau of Economic Analysis (BEA). This national table has been modified by information specific to New Hampshire from the 2007 U.S. Census of Business, household income and self-employed information from BEA, household spending from the Bureau of Labor Statistics, employment data from the N.H. Department of Employment Security and restaurant and lodging tax collections from the N.H. Department of Revenue Administration. Information on tourist and traveler spending was obtained from visitor surveys conducted by the Institute for New Hampshire Studies. The model also incorporates the impact of interstate commuting patterns, out-of-state investment earnings and federal government collections and payments as reported by the BEA.

Purchases and Sales Table & Employment Table

The table on each page shows the estimated transactions between the industry or activity listed on the side of the table with the industry or activity listed at the top of the table in either millions of dollars (Table 9) or the number of jobs (Table 10). This table is called the "transactions matrix". Also shown in this table is the value of each transaction or employment as a percentage of the total shown at the bottom of that column. The sales of each industry are shown in the rows, as are rows that show net household income and imports. The purchases of each industry are shown down the columns, as are columns for household purchases and exports.

For example, in the first table on the State Industry Purchasing and Sales page, "Retail Trade" establishments located within New Hampshire purchased 85 million dollars' worth of goods and services from the state's agriculture, forestry, fishing and mining sector and this was 0.3 percent of all purchases made by the Retail Trade sector. The largest purchases made by Retail Trade were: imported goods (and services) from out-of-state (54.3 %); payments to households in the form of wages, salaries and profits (14.0 %); and the purchase within New Hampshire of wholesale goods and transportation services from the Wholesale Trade and Transportation sector (12.0 %).

Table 10 expresses these dollar transactions in terms of jobs. Given that each industry has a different ratio of sales/purchases to employment, the percentage figure shown for an employment transaction on the second table may be quite different from the sales transaction percentage shown for the same space (or cell) in the first table.

Multipliers

The impact of adding in local household earnings and spending (the induced economic effect) will approximately double the value of the sales multiplier when comparing the next to last row (the indirect multiplier) with the bottom row (the indirect and induced multiplier) in Table 9. The impact of adding households is not as strong on increasing employment, as can be seen when comparing the two bottom rows in Table 10. For example, the agriculture, mining and forestry sector has a state-wide direct and indirect sales multiplier of 1.63 and a direct, indirect and induced sales multiplier of 2.83. The state-wide employment multipliers state-wide for this same sector respectively are 1.53 and 1.57.

The ratio between the indirect and the indirect plus induced multipliers for each economic sector shows the importance of household wages and salaries as a percentage of total sales for this industrial sector and the impact of this household spending when it circulates through the state's economy. When the multipliers for the different industrial sectors are compared with each other, a dollar in new out-of-state sales by the hospitality and leisure sector results in a relatively large amount of total dollars ($3.32) circulating through the state's economy, as shown on the bottom line of Table 9. Over the last decade the multipliers for most of the state's industries have decreased, reflecting the increasing integration of the state's economy into the national and global economies.

Model to apportion County Data to the Travel Region

There are ten counties and seven travel regions in New Hampshire. Almost all economic information published by the state and federal governments is available only at the county and state-wide levels. However, each travel region includes a portion of at least one county. Therefore, a method was needed to allocate those counties which are in more than one region based on appropriate information at the town level. The method employed to apportion these counties was to use the 2000 report from the N.H. Department of Employment Security (NHDES) which gave covered employment for restaurants and lodging establishments for the seven travel regions. It was assumed that rooms and meals spending is proportional to restaurant and lodging employment within each county as it is allocated among the travel regions of which that county is a part. The 2007 US Census of Business data and 2008 BEA employee earnings data for restaurant and lodging establishments at the county level was used to redistribute the NHDRA rooms and meals tax collection data among the counties and travel regions.

Comparing the spending for lodging with the amount spent by travelers for meals enables one to estimate the number of visitor days by over-night travelers and by day trip travelers at the county level by season. This estimate is possible as detailed over-night and day trip budgets have been calculated based on Institute for New Hampshire Studies' surveys of travelers conducted during 2004 and 2010. These surveys also provide information as to the kind of lodging used. Total spending per visitor day and type of overnight accommodation was also available from the TNS Global Market Research. The TNS visitor surveys show that more than a half of over-night visitors during each season stay in accommodations which do not collect State rooms and meals taxes.

This county-level spending by those paying for overnight accommodations, campers, non-paid overnight accommodations and day trip travelers are then allocated to the seven travel regions. The lodging portion of the rooms and meals tax is used to calculate the county and region for the overnight visitors who pay for accommodations. Campers were allocated among the regions using occupancy data from the New Hampshire Campground Owners Association. The 2000 number of occupied (staying with friends and relatives) and seasonal/occasional use housing units (second homes and condos) from the 2000 U.S. Census of Population and Housing were used to project where overnight travelers who do not pay for lodging stay by county and region. Meals spending for these three groups were calculated for each county and region and then subtracted from estimated meals sales to all travelers, leaving a balance of meals sold to those on day trips. This balance was then used to calculate the number of day trips.

Definition of Visitors

Visitors may be either day or overnight travelers who are on a trip for purposes of recreation, business, and visiting family and friends. Visitors also include New Hampshire residents visiting other parts of the state away from their town of residence. Not included are those who are on a regularly scheduled shopping trip and seasonal residents, unless they are on a trip away from their town of residence.

Number of Visitors By Region and Season

The first step in calculating the total number of visitors and trips state-wide is to determine the number of visitor days by region and by season. The information necessary to do this was obtained from visitor surveys for each season conducted by the TNS Global Market Research and by the Institute for New Hampshire Studies as well as rooms and meals tax collections, N.H. Department of Transportation vehicle counts and regional housing and camping data for each travel region by season.

The information used in this calculation of spending per visitor day includes: type of accommodation, length of stay and spending for a variety of goods and services. This provides a daily budget for each season for paid lodging by overnight traveler, non-paid lodging by overnight traveler and the day tripper. The allocation of each of these types of travelers to each region is based on: regional rooms and meals tax receipts and regional lodging mix. This permits the estimate of the total number of visitor days by type of traveler and visitor spending for each region for each season. From the information on length of stay by type of visitor, the number of visitor trips for each type of visitor can then be calculated for each season.