

TRAVEL BAROMETER, Fiscal Year 2015

Overall Performance

The indicators used in the "travel barometer" for New Hampshire show that fiscal year 2015 was a positive period for the State's travel sector when compared with fiscal year 2014. More travelers visited the state and they spent more during fiscal year 2015 than during 2014. In fact, it was the best year in the last two decades. Real spending at lodgings after inflation-adjustment was a record high since the INHS started tracking this data in 1988. The share of day travelers in total increased slightly.

Estimated Visitor Counts and Spending (in millions)

Visitor counts and spending are estimated by the INHS, and are indicative of the health of all tourism industries in the state collectively, which include not only lodging and restaurants, but also arts, entertainment, and recreation, and part of retail and transportation.

Indicator	Sales	% from prior year
R&M	\$3,143	7.5%
Restaurants	\$1,959	8.0%
Rooms	\$529	7.8%
Combination	\$107	7.7%
Other Food Service	\$547	5.4%
R&M_T	\$2,081	10.7%
CPI	237	0.7%

Indicator	Value	% from prior year
Visitor Trips	38.40	5.1%
Visitor Days	60.16	5.2%
Visitor Spending	\$5,361	8.1%
Visitor Spending per Day	\$89	2.8%
Retail Spending	\$1,429	6.0%

Rooms and Meals Sales (in millions)

Rooms and meals sales are the baseline measurement of the tourism sector, which provides the basis of other tourism indicators such as traveler counts and spending. It's the official count of sales as reported by the NHDRA. Nearly all of lodging (Rooms) and meals at hotels and resorts (Combination) are paid by travelers, while only about half of the restaurant meals are estimated to be paid by travelers.

Employment in Tourism Sector (in thousands)

The number of employed residents in the state is from the Household survey, and is indicative of the health of the state's overall economy. The numbers of jobs in tourism industries are from the Establishment Survey, and collectively indicate the health of the tourism sector. It is the only current tourism indicator that is publicly available and comparable across different states in the country.

Indicator	Level	% from prior year
Employed Residents	714	1.0%
Jobs in Arts, Entertainment, Recreation	11.2	0.3%
Jobs in Accommodations	9.4	2.6%
Jobs in A, E, R and A (sum of the two above)	20.6	1.4%
Jobs in Leisure and Hospitality	67.1	0.6%

Indicator	Value	% from prior year
Vehicle Rentals	\$94.8	7.9%
Airline Passengers	1,033,228	-9.4%
Hotel Occupancy	60.5%	5.2%

Business Travelers

The volume of business travelers may be reflected in such variables as vehicle rentals, airline passengers, and hotel occupancy rate.

Entertainment and Amenities

The tourism sector also includes arts, entertainment, and recreation industries. Snowmobile registration and fishing & hunting licenses here reflect non-resident sales only.

Indicator	Value	% from prior year
Attractions Attendance	978,042	1.6%
Ski Areas Attendance	1,244,092	1.5%
Snowmobile Registrations	15,597	4.8%
Fishing & Hunting Licenses	70,375	-0.4%

Indicator	Vehicle Counts	% from prior year
US 3 Groveton	2,834	1.4%
US 2 Jefferson	4,492	3.0%
US 302 Bartlett	3,737	4.3%
I-93 Lincoln	10,663	3.5%
NH 12 Claremont	8,453	-1.3%
I-89 Sutton	18,558	1.1%
NH 16 Ossipee	12,602	1.5%
NH 11 Alton	6,363	1.9%
NH 101 Temple	7,583	0.6%
NH 9 Chesterfield	11,406	-0.2%
I-93 S Concord	69,236	0.8%
NH 101 Exeter	38,281	2.5%
Total Traffic Counts	194,206	1.4%

Saturday Traffic Counts

The vehicle traffic counts should be reflective of changes in the volume of traveler counts. The vehicle counts are collected on Saturdays, in order to reduce the volume of commuter traffic in the data. Furthermore, 12 recorders are selected nearby major travel destinations to reflect traveler traffic in each of the seven travel regions in the State.

Great North Woods: Groveton, Jefferson
White Mountain: Lincoln, Bartlett
Lakes: Ossipee, Alton
Dartmouth Lakes Sunapee: Sutton, Claremont
Monadnock: Temple, Chesterfield
Merrimack Valley: Concord
Seacoast: Exeter

Weather

Tourism is one sector whose fortune is left at the mercy of Mother Nature. Snow brings business during winter, while rain does the opposite during summer.

Indicator	Value	% from prior year
Gas Price	2.91	-19.2%
DTTD Guidebook Requests	49,140	-7.6%
Visitnh.gov Total Sessions	1,256,873	3.6%
Canadian Dollar	0.85	-8.6%
British Pound Interest Rate Spread	1.57	-3.2%
	6,531	5.6%

Comparison with New England and U.S. (in thousands)

The number of jobs estimates in the leisure and hospitality sector from the U.S. Bureau of Labor Statistics is the only tourism indicator that is comparable across states in the country. Therefore, it provides a glance of the performance of the state's tourism sector relative to other states in New England and the rest of the country.

Indicator	Days	% from prior year
Days with Precipitation	138	2.2%
Days with Snowcover	61	-1.6%

Leading Indicators

Increases in the leading indicators may be indicative of more businesses for the tourism sector in the near future, while decreases may mean the opposite. An exception is the gas price. A substantial increase in gas prices may discourage traveling.

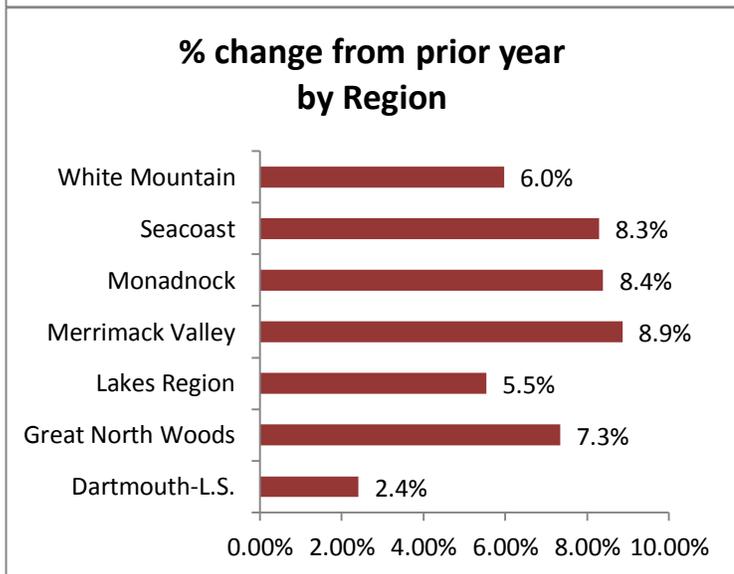
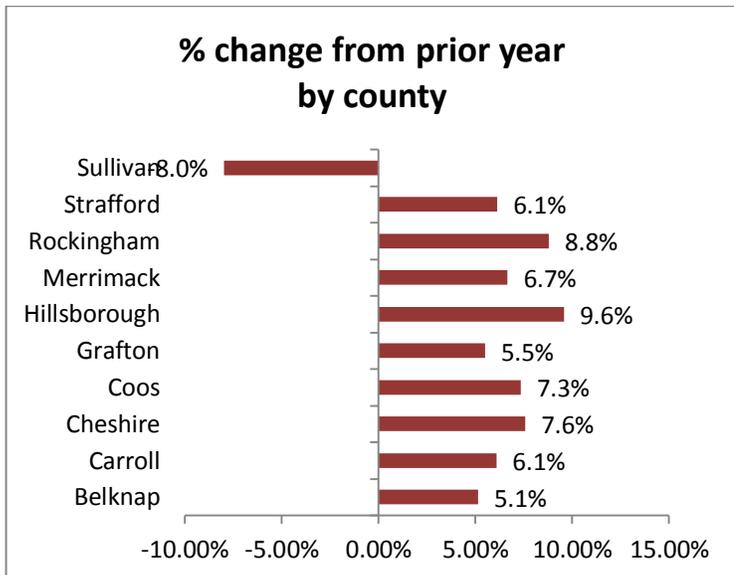
*The percent change in Visitnh.gov Total Sessions was not reported because the numbers are not comparable between FY12 and FY13. The software used to track the online traffic was changed at the beginning of the FY13, and so was the way in which the traffic was measured.

Indicator	Jobs in Leisure and Hospitality	% from prior year
New Hampshire	67.1	0.6%
Connecticut	153.6	2.8%
Massachusetts	343.5	1.6%
Maine	62.5	-0.6%
Rhode Island	55.7	2.1%
Vermont	36.2	3.9%
New England	720.2	2.3%
United States	14,941	3.1%

ROOMS AND MEALS SALES, Fiscal Year 2015

	Sales	% of State
State	\$3,144	100%
County		
Belknap	\$183	6%
Carroll	\$250	8%
Cheshire	\$128	4%
Coos	\$90	3%
Grafton	\$350	11%
Hillsborough	\$810	26%
Merrimack	\$274	9%
Rockingham	\$849	27%
Strafford	\$178	6%
Sullivan	\$33	1%
Region		
Great North Woods	\$29	1%
White Mountain	\$488	16%
Lakes Region	\$340	11%
Dartmouth-L.S.	\$149	5%
Monadnock	\$218	7%
Merrimack Valley	\$1,194	38%
Seacoast	\$726	23%

Sales are in millions of dollars.
It does not include vehicle rentals.

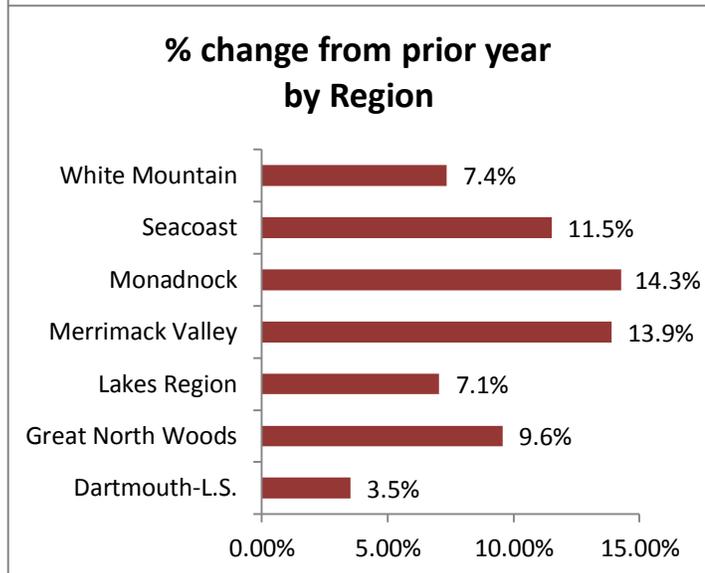
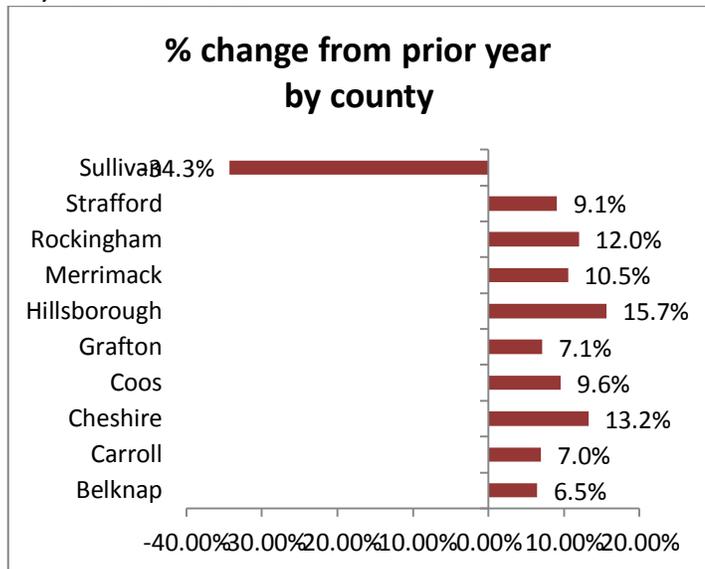


ROOMS AND MEALS SALES PAID BY TRAVELERS, Fiscal Year 2015

	Sales	% of State
State	\$2,081	100%
County		
Belknap	\$137	7%
Carroll	\$214	10%
Cheshire	\$74	4%
Coos	\$69	3%
Grafton	\$255	12%
Hillsborough	\$471	23%
Merrimack	\$151	7%
Rockingham	\$595	29%
Strafford	\$109	5%
Sullivan	\$6	0%

Region		
Great North Woods	\$19	1%
White Mountain	\$407	20%
Lakes Region	\$235	11%
Dartmouth-L.S.	\$81	4%
Monadnock	\$130	6%
Merrimack Valley	\$698	34%
Seacoast	\$510	25%

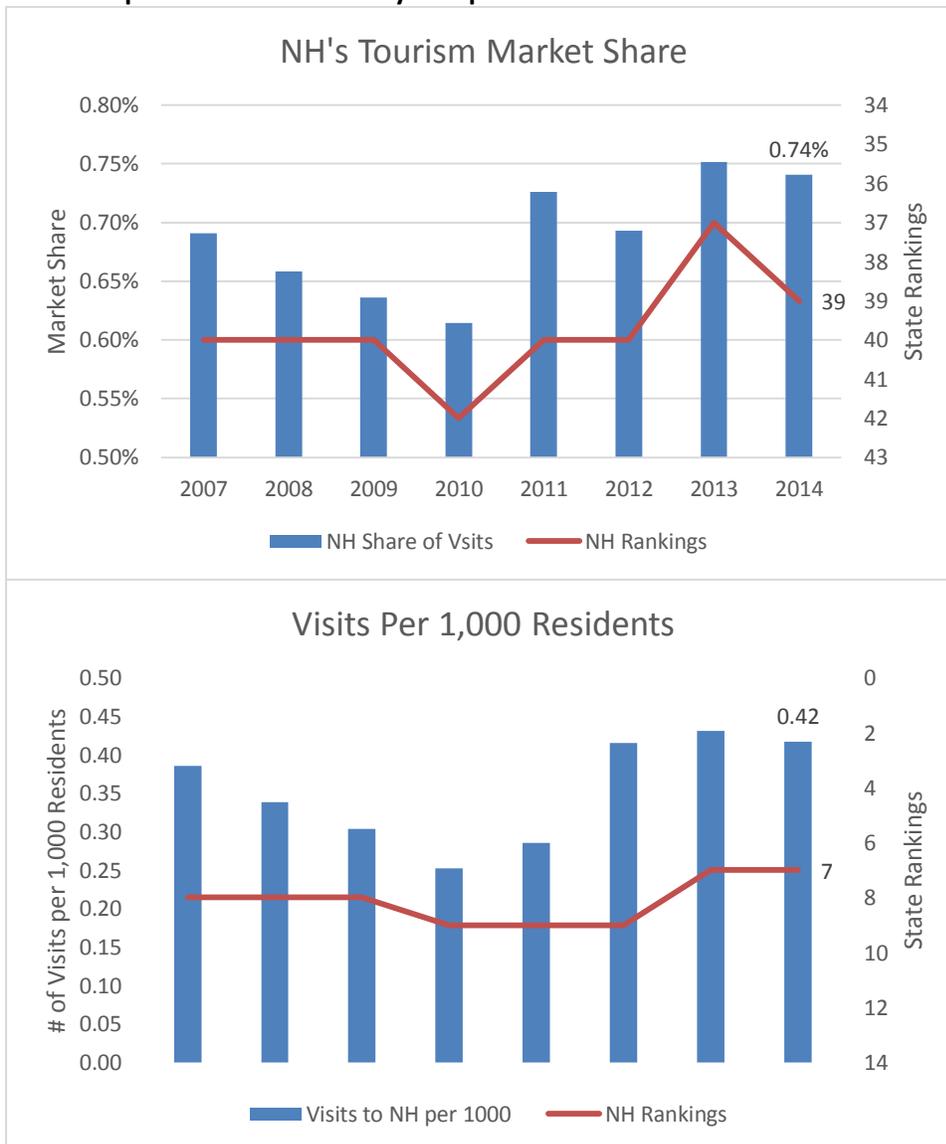
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NEW HAMPSHIRE'S TOURISM SECTOR, RELATIVE TO OTHER STATES

According to the national visitor survey information obtained from TNS Global Market Research, the State makes up 0.74% of the domestic traveler market. The program excludes foreign travelers. Out of 74,513 visits in the United States reported by the survey respondents, 552 visited New Hampshire during calendar year 2014. This ranks the state 39th out of 50 states plus Washington D.C. California and Florida were the top destinations in the country in that order. However, this ranking doesn't take into account the size of the states. In terms of the number of visits per 1,000 residents, New Hampshire ranks 7th, marking 0.42 reported visits per 1,000 residents, compared to 0.17 reported visits per 1,000 residents of California. Washington D.C. topped the country with 0.77 reported visits per 1,000 residents. The state's travel industry has performed well since 2010. The State's domestic market share increased to 0.74% in 2014 from 0.61% in 2010. Its ranking improved to 39th from 42nd during the same period. The number of visits per 1,000 residents increased to 0.42 reported visits in 2014 from 0.25 visits in 2010.

New Hampshire's Travel Industry Compared to Other States



Source: TNS InfoExplorer

DEFINITION OF THE INDICATORS

Visitor trips and days

A traveler visiting a travel destination in New Hampshire is counted as one visitor trip, whether the traveler is New Hampshire resident or not. If the travel lasts three days, then the trip is counted as three visitor days. Visitor counts are estimated by the INHS based on a multitude of tourism indicators as well as visitor surveys conducted by a third party research firm, and benchmarked to sales and employment data of the tourism industries obtained from the U.S. Census Bureau and the U.S. Bureau of Economic Analysis.

Visitor and retail spending

Total visitor spending represents direct purchases made by travelers to New Hampshire, which includes sales of lodging, restaurant meals, entertainment, amenities, and transportation. Visitor spending is estimated by the INHS based on a multitude of tourism indicators as well as visitor surveys conducted by a third party research firm, and benchmarked to sales and employment data of the tourism industries obtained from the U.S. Census Bureau and the U.S. Bureau of Economic Analysis.

Rooms and Meals Tax Revenues

Rooms and meals tax revenues data is considered as one of the most important indicators for the tourism sector, the one that provides the basis for estimating other tourism indicators. There are two major reasons for this. First, it is an official amount, not an estimate, of tax collected on sales of lodging and meals, as reported by the New Hampshire Department of Revenue. Secondly, the lodging and restaurant industry is a major player in the tourism sector in terms of employment and sales.

Employment

The report includes two different sources of the U.S. Bureau of Labor Statistics employment data – the household survey and the establishment survey. The number of employed residents is estimated from the household survey, and is indicative of the state-wide labor market. On the other hand, the number of jobs in tourism industries is estimated from the establishment survey, and is reflective of the health of the tourism sector.

Gasoline Prices

New England Regular Conventional Retail Gasoline Prices (Dollars per Gallon) are obtained from

the U.S. Energy Information Administration. A substantial increase in gasoline prices may discourage traveling.

Saturday Traffic Counts

The New Hampshire Department of Transportation collects vehicle traffic counts via 60 plus automatic recorders placed throughout the state. The average Saturday vehicle traffic counts are used, in order to reduce the volume of *commuter traffic* in the data. Furthermore, 12 recorders are selected nearly major travel destinations to reflect *traveler traffic* in each of the seven travel regions in the State.

Hotel Occupancy Rate

The monthly values of the hotel occupancy rate are obtained from the Smith Travel Research once a year. Thus, seasonal values until the next release of the data are estimated by the INHS.

Airline Passengers

It measures the number of passengers enplaning at the Manchester airport. It's one of the indicators for the business travel volume.

Vehicle Rentals

It measures spending on motor vehicle rentals subject to the Rooms and Meals Tax. It's one of the indicators for the business travel volume.

Attractions Attendance

It counts attendance at nine seasonal attractions during summer in the state.

Requests for DTTD Guidebooks

It counts the number of requests for DTTD Guidebooks. It's considered as one of the leading indicators for the tourism sector.

Visitnh.gov Total Sessions

It counts the number of total sessions at www.visitnh.gov. It's considered as one of the leading

indicators for the tourism sector.

The Canadian Dollar

The value of the Canadian dollar relative to the United States' dollar is an indicator of present and future travel by the Canadian tourist in New Hampshire. Canada is the most important source of foreign tourists in the state. An increase in the value of Canadian dollar per the U.S. dollar makes traveling to the United States more affordable for Canadians in their currency, which may lead to an increase in the number of Canadian travelers to New Hampshire, other things equal. Thus, it is considered as a leading indicator for the state's tourism sector.

The British Pound

Great Britain is the largest source of foreign travelers in New Hampshire after Canada. An increase in the value of British pound per the U.S. dollar makes traveling to the United States more affordable for the British in their currency, which may lead to an increase in the number of British travelers to New Hampshire, other things equal. Thus, it is considered as a leading indicator for the state's tourism sector.

Interest Rate Spread

The interest rate spread, the 10 year Treasury less the Federal Funds, is considered one of the best leading indicators for the national economy. The indicator is the sum of all the past values plus the spread in the current period. Therefore, it decreases when the current spread is negative (the 10 year T rate is lower than the Fed Funds Rate), which is indicative of an impending recession. January 1960 is the base period; the interest rate spread is zero in January 1960.

Weather

Weather is a critical factor determining the traveler volume. More rainy days during summer lead to fewer travelers to the state, while more snowy days during winter lead to more travelers.