

## DATA SOURCES FOR TOURISM RESEARCH

A detailed explanation of data sources is provided in the Tourism Satellite Account (TSA) Report that can be found on the INHS website. The most recent report is for Fiscal Year 2008 and the report for Fiscal Year 2010 is currently being written and will be available in July 2011. The reason for the one year delay in the production of the TSA report is so the latest available federal data on business receipts, payroll and employment and state and local tax receipts can be used. A brief explanation of data sources used in various INHS tourism reports follows.

### Barometers

All of the data contained in the monthly, seasonal and annual barometers are from state and federal agencies, except for: airport enplanements, the hotel occupancy rate, ski area attendance and attractions attendance. The monthly enplanements data comes from the Lebanon and Manchester airports. Ski NH provides monthly ski area counts for seven of its member ski areas. INHS collects monthly attendance information from nine attractions. INHS calculates the monthly estimated hotel occupancy rate using data from Smith Travel Research and the NH Department of Revenue Administration (DRA). The Smith Travel data focuses on chain hotel and motel properties and does not include any B&B's. Thus B&B's and tourist oriented properties will have far different rates and more seasonality in occupancy rates than the statistic shown in the barometers. Past INHS experience with collecting occupancy information from tourist oriented lodging properties is that it is extremely expensive to do and most properties do not want to participate in such surveys. The monthly data is compiled into the seasonal and annual barometers.

The really key data is detailed monthly data for the ten counties for lodging tax receipts and two meals tax receipts categories from the DRA. It would be impossible to produce any of the barometers or other economic research reports without these tax receipts data. These data allow for comparisons over time. However, due to geographic quirks in how DRA collects these data, they are reconciled with US Census of Business receipts information for lodging and food services businesses reported at the county level annually. Besides the minor differences in geographic reporting, the Census data includes state taxes and tips (as well as goods and services on which state taxes are not collected) in total receipts. Thus, the federal data provides a much more accurate picture of what visitors are actually spending at these establishments and is used to calculate total visitor spending used in all of the reports. The DRA tax receipts data is very useful, however, as it is current (two month delay), consistent and allows for monthly and seasonal analysis of trends. It is the detailed DRA rooms and meals tax data that is shown in the barometer reports as it is provided monthly. One table in the barometer shows estimated visitor spending on rooms and meals while a second table shows total spending on rooms and meals. The difference between these tables is the estimated spending on meals and food services by New Hampshire residents who are not engaged in tourist or business travel activities. This non-tourist spending as a share of total spending is highest in those counties where these residents live and work. Another important monthly barometer statistic is NH Department of Transportation Saturday traffic counts at 12 locations near tourist attractions or on tourist travel routes. These traffic counts are used to estimate visitor trips. Also used to estimate visitor trips, visitor days and visitor spending are the visitor surveys done seasonally by INHS every other year.

## Forecasts

Forecasts are based on what is currently happening in the regional and national economies (including short term economic forecasts by others) and how that might change tourist travel and spending that happened at the same time period during the previous year. Because weather cannot be forecast far in advance, experience has shown that the INHS forecast is too optimistic about 1/3 of the time as the weather turns out to be worse than usual. All tourist forecasts contain a statement about weather possibly causing the forecast to be optimistic. Once in a while an unpredicted economic event like suddenly high gasoline prices will cause the tourist forecast to be too high as well. On the other hand, great weather last summer caused the forecast to be lower than what actually happened. The forecast for change in the lodging occupancy rate is that the estimated percentage change may occur across all lodging properties from the year before, but does not mean that all properties will have the same occupancy rate.

## Return on Investment

The return on investment model uses visitor spending and number of visitors from the barometer reports and the visitor surveys. The spending is broken out into the kinds of businesses and properties where the visitors spent their money and the resulting state taxes collected. While these calculations are not shown in this ROI report, they can be found in the TSA report. State tax and fee collection data are available either directly from state agencies such as the DRA and Department of Safety, or can be found on the state government budget website. The same process is used for local government receipts, except the tax and fee data come from the census of government. The details of this breakout in visitor spending and tax receipts can be found in the TSA report. Usually only summary figures are shown in the ROI report. The share of total visitor spending and tax receipts that can be allocated to DTTD promotional activities is based on the conversion studies done once every other year by the INHS (the alternate year to when the visitor survey is done). The DTTD budget data used in the model is obtained from DTTD. The text that accompanies this ROI table summarizes the steps in the model and discusses some of the results in more detail.

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