The Economic Impact of Tourism in New Jersey

Tourism Satellite Account
Calendar Year 2014

TOURISM ECONOMICS

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Key results

- Despite the headlines of casino closures, the New Jersey travel economy grew in in 2014.
  - Tourism demand grew 3.8% in 2014 to reach $42.1 billion
  - Visitation expanded 4.4% with the leisure segment out-performing the overall market
- Favorable weather helped to drive strong growth in bed tax receipts for the shore counties in the summer months, approaching 10% above year-ago levels.
- Statewide impact growth was less robust, restrained by two factors:
  - The Atlantic City correction – multiple casino closures with associated job losses
  - 2014 year-over-year comparisons with the strong 2013 growth related to Superstorm Sandy's positive impact on off-season hotel rentals

Key results, continued

- In 2014, the tourism industry directly supported 315,952 jobs in New Jersey and sustained nearly 508,000 jobs including indirect and induced impacts.
- Including all impacts, the industry accounts for 9.9% of total employment or nearly 1-in-10 jobs in New Jersey.
- The tourism sector generated $36.4 billion of state GDP in 2014, representing 6.6% of the entire state economy.
- Including indirect and induced impacts, tourism in New Jersey generated $10 billion in government revenues last year, including $4.6 billion in state and local tax revenues.
- Without the tourism industry, New Jersey households would pay $1,460 more each in order to maintain the current level of state and local government services.

Industry indicators

- Visitor trips to NJ destinations grew 4.4% to 93.2 million in 2014. (source: DKSA, NTTO)
- Hotel room demand fell 0.6%. Excluding Atlantic County, hotel room demand grew 1.2%. (source: STR)
- The hotel average daily rate increased by 2.9% in 2014, helping overall hotel room revenue grow 2.4%. (source: STR)
- State and municipal bed tax receipts grew 3.6% in 2014. (source: State Treasurers Office)
- Casino win declined 4.5%. This is the smallest decline since 2007. (source: Division of Gaming Enforcement)

Economic Impact Analysis

The importance of measurements

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Why quantify the tourism economy?

- By monitoring tourism's economic impact, policy makers can make informed decisions regarding the funding and prioritization of tourism development.

- It can also carefully monitor its successes and future needs.

- In order to do this, tourism must be measured in the same categories as other economic sectors – i.e. tax generation, employment, wages, and gross domestic product.

What is this a challenge?

- Most economic sectors such as financial services, insurance, or construction are easily defined within a country's national accounts statistics.
- Tourism is not so easily measured because it is not a single industry. It is a demand-side activity which affects multiple sectors to various degrees.
- Tourism spans nearly a dozen sectors including lodging, recreation, retail, real estate, air passenger transport, food & beverage, car rental, taxi services, travel agents…

The Tourism Satellite Account

- The TSA was conceived by the UN World Tourism Organization and has since been ratified by the UN, Eurostat, and OECD.
- The standard has been adopted by over fifty countries around the world and a growing number of US States.
- The TSA deals with the challenge of measuring tourism in two important ways:
  - Defines the tourism economy
  - Provides methodology for calculating tourism GDP in a way that is consistent with economic accounts

Benefits of a TSA

- Enables comparisons of the importance of tourism to other sectors of the economy in terms of GDP, employment, and income
- Allows for benchmarking to other destinations
- Tracks the economic contribution of tourism over time
- Monitors strength by tracking capital investment
- Allows for extension analysis for of the full impact of tourism

Important definitions

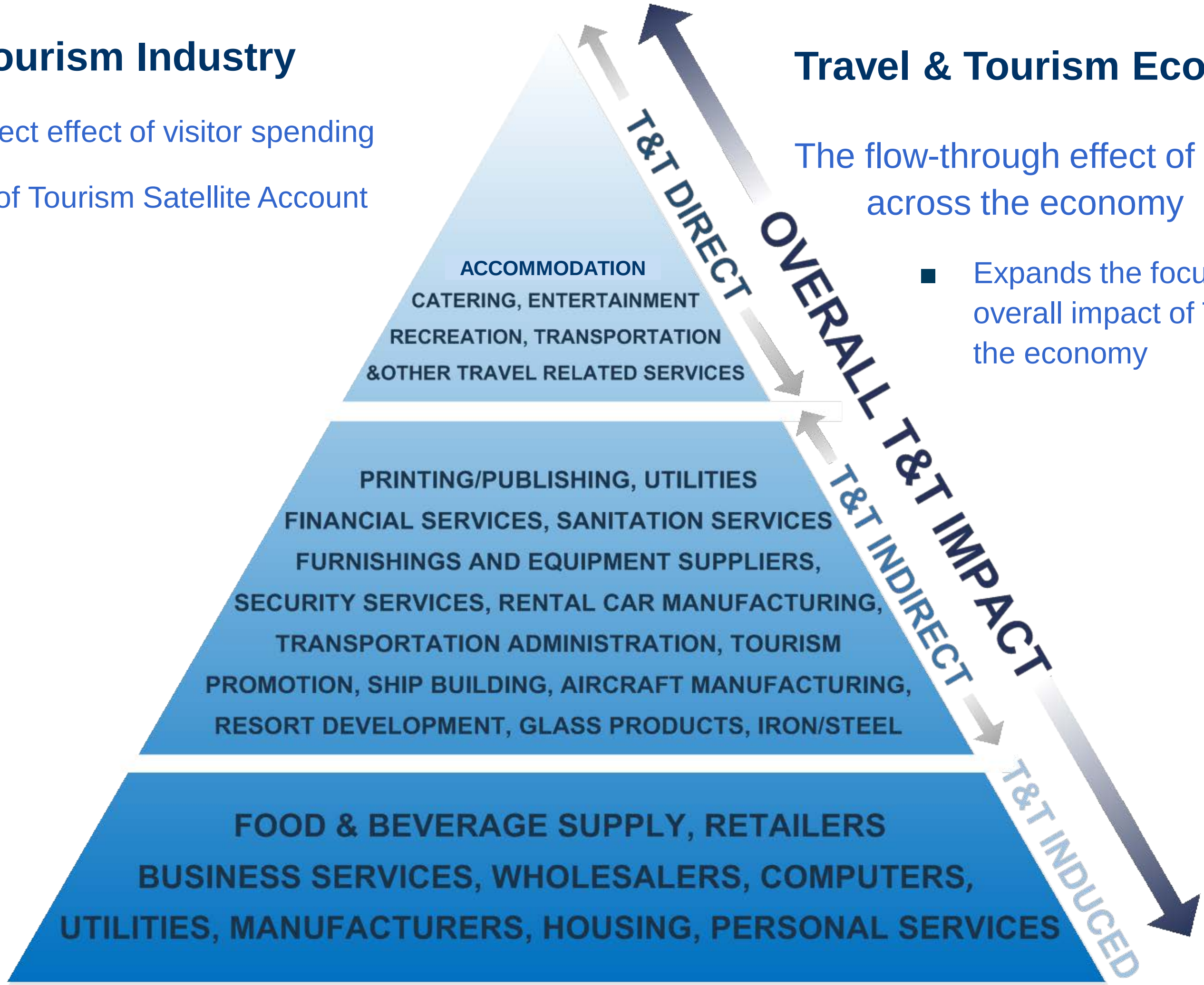
1. **Tourism Industry:** Measures the value of traveler activity within “tourism characteristic industries”. This concept measures only the direct impact of the travel industry.

2. **Tourism Economic Impact:** Includes the tourism industry plus government spending and capital investment in support of tourism. This is the basis of the total economic impact analysis, including direct, indirect and induced impacts.

Illustrating the concepts

Travel & Tourism Industry

- The direct effect of visitor spending
- Focus of Tourism Satellite Account



Travel & Tourism Economic Impact

The flow-through effect of T&T all demand across the economy

- Expands the focus to measure the overall impact of T&T on all sectors of the economy

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Tourism Sales

The business generated by tourism

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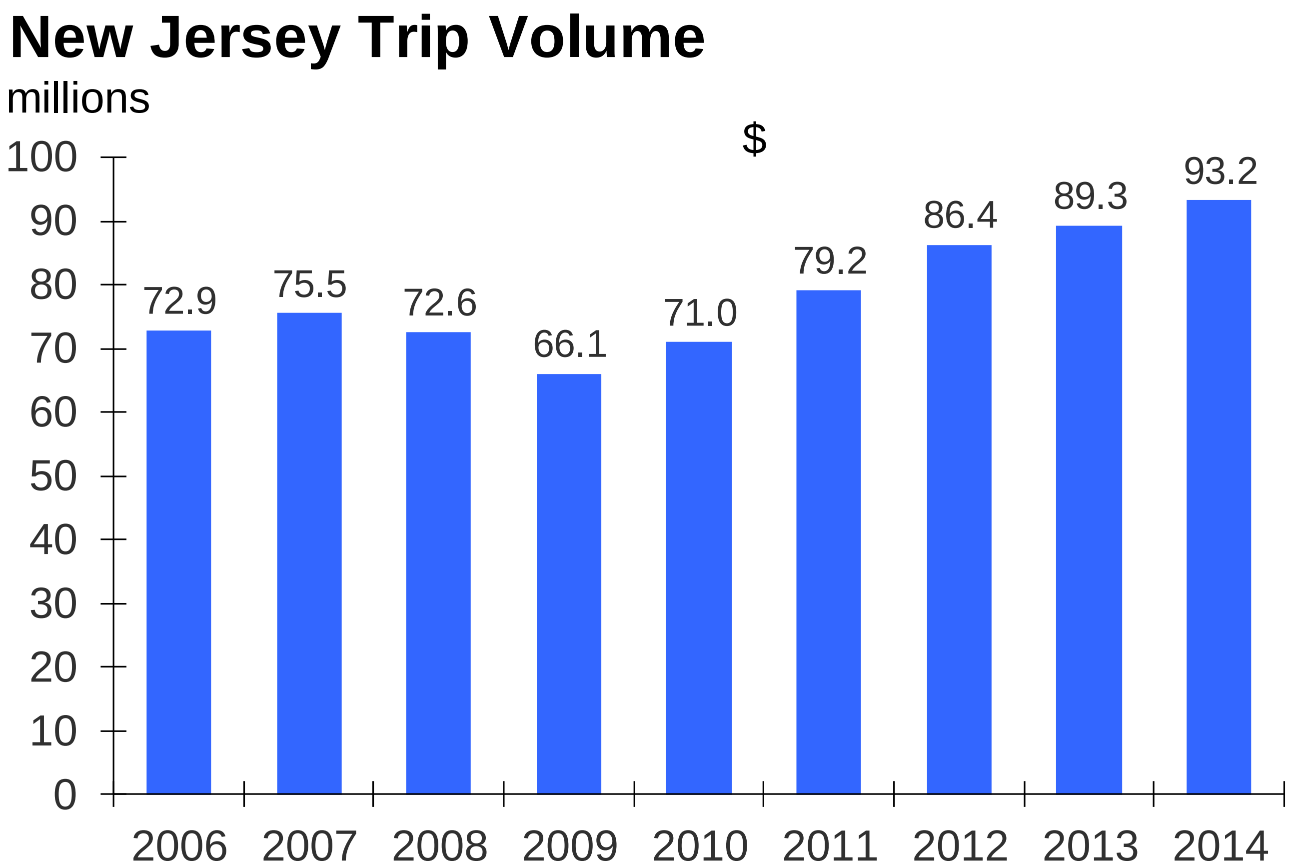
Key traveller spending trends in 2014

- By many traditional measures, 2014 was a strong year.
  - Visitor volume numbers grew by more than 4%.
  - Summer hotel bed taxes expanded nearly 10% in shore counties.
  - There were no major weather events shutting down parts of the state for any extended period of time.
- Despite this performance, spending growth was not as robust as might be expected.
  - While many displaced residents were staying in hotels in early 2013, this was not the case in 2014. As a result room demand was significantly lower in impacted areas in 2014 for the first four months of the year.
  - Spending was constrained due to the continued decline of casino ‘win’ in NJ.

Visitation showing continued growth last year

NJ attracted 93.2 million visitors in 2014—a 4.4% gain

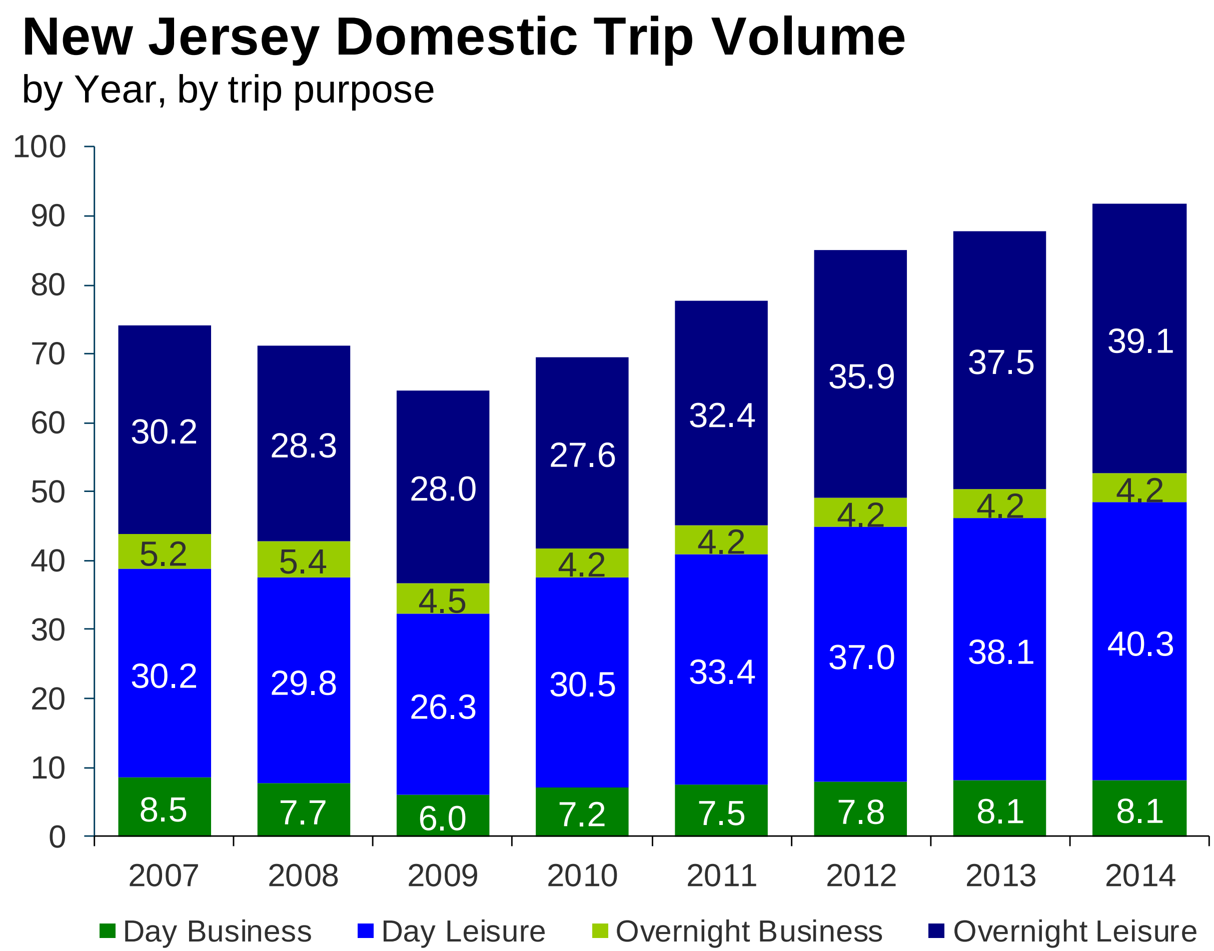


Source: D.K. Shifflet, NTTO

TOURISM ECONOMICS

Domestic visitation… by trip purpose

- New Jersey domestic visitation growth outpaced the nation in 2014.
- Leisure visitation led overall market growth in the state with overnight leisure trips growing 4.4%.



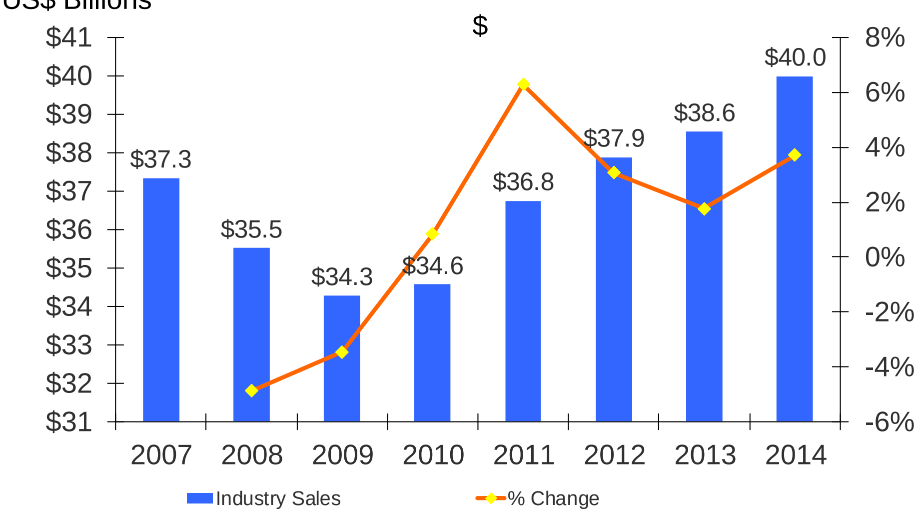
Source: D.K. Shifflet

Tourism sales surpasses prior peak

Tourism Industry Sales (US$ Million)									
Sector	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**% Change**
Lodging	$11,907	$11,674	$11,544	$11,542	$11,343	$11,232	$10,914	$11,051	1.3%
Other Transport	$4,942	$4,958	$4,395	$4,351	$4,944	$5,295	$5,220	$5,487	5.1%
Air	$948	$973	$1,059	$1,098	$1,261	$1,261	$1,307	$1,370	4.8%
Food & bev.	$8,193	$8,065	$7,654	$7,712	$8,412	$8,892	$9,283	$9,720	4.7%
Retail	$7,656	$6,074	$5,884	$5,921	$6,561	$6,812	$7,130	$7,452	4.5%
Recreation	$3,693	$3,774	$3,753	$3,953	$4,233	$4,392	$4,702	$4,909	4.4%
TOTAL	$37,339	$35,519	$34,288	$34,577	$36,753	$37,884	$38,556	$39,989	3.7%
% Change		-4.9%	-3.5%	0.8%	6.3%	3.1%	1.8%	3.7%	

- Direct tourism industry sales within NJ rose 3.7% in 2014.
- $40 billion was spent by visitors in New Jersey.
- Spending growth has averaged 3.1% annually since 2009, increasing by 16% cumulatively.

Tourism Industry Sales
US$ Billions



Source: Tourism Economics

TOURISM ECONOMICS

Tourism industry sales by visitor type

- Leisure tourism represents 89% of tourism industry sales in NJ.
- Overnight visitors to NJ spent $36.3 billion; 91% of the total.
- International visitors to NJ spent $3.2 billion in 2014, comprising 8% of all visitor spending.

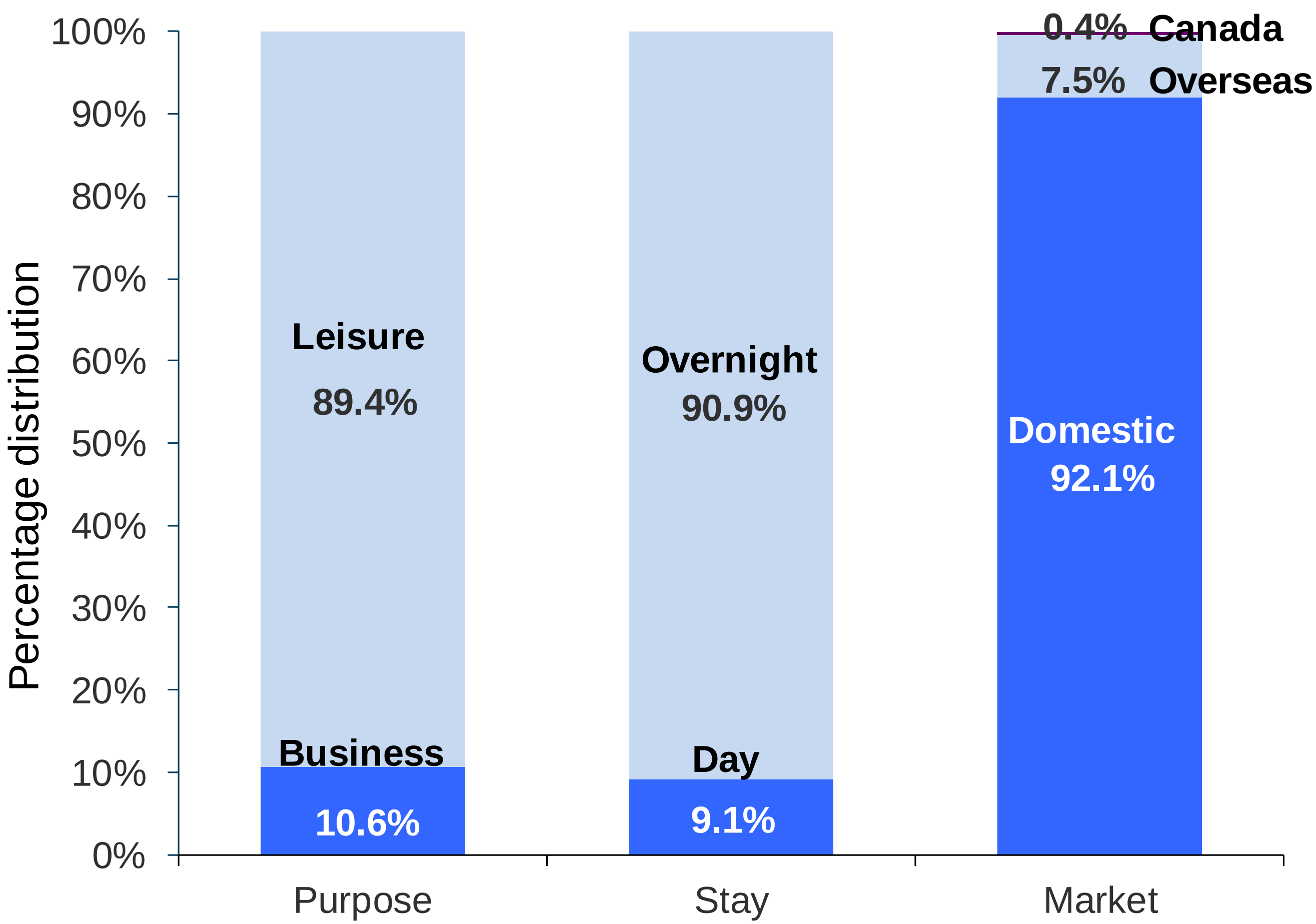
Tourism Industry Sales in 2014
(US$ Billion)

Purpose		Stay		Market	
Business	$4.2	Day	$3.6	Domestic	$36.8
Leisure	$35.8	Overnight	$36.3	Overseas	$3.0
				Canada	$0.2
Total	$40.0	Total	$40.0	Total	$40.0

Share

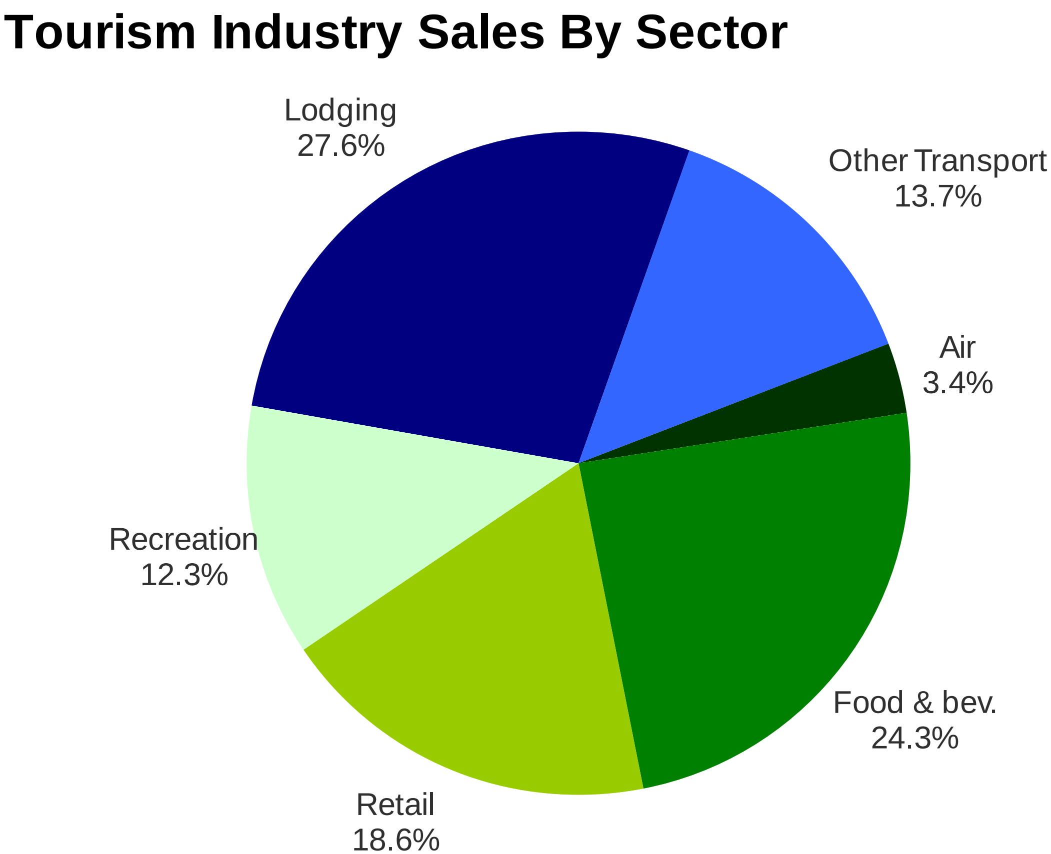
Purpose		Stay		Market	
Business	10.6%	Day	9.1%	Domestic	92.1%
Leisure	89.4%	Overnight	90.9%	Overseas	7.5%
				Canada	0.4%

Tourism industry sales by visitor type



Source: Tourism Economics

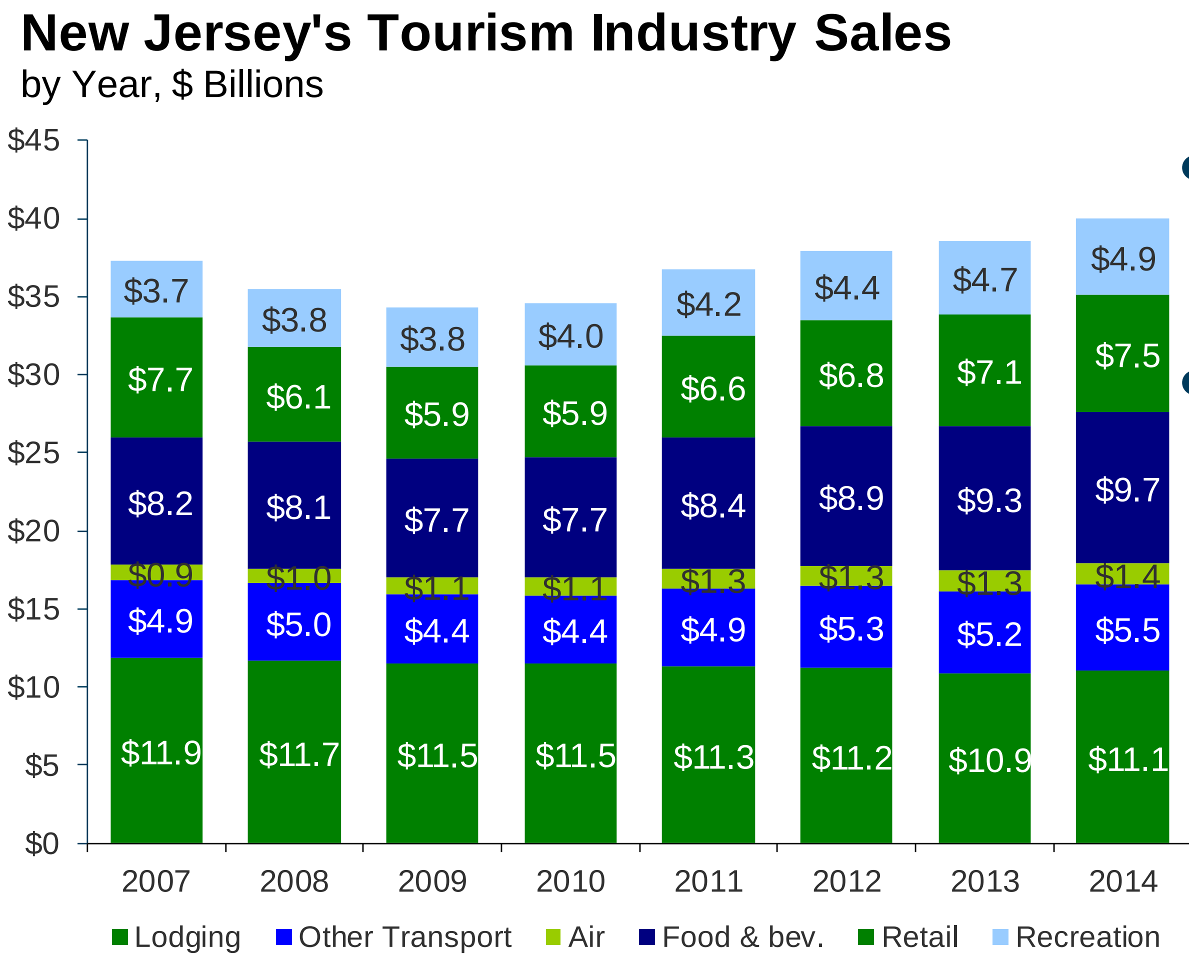
Tourism industry sales by sector



Source: Tourism Economics

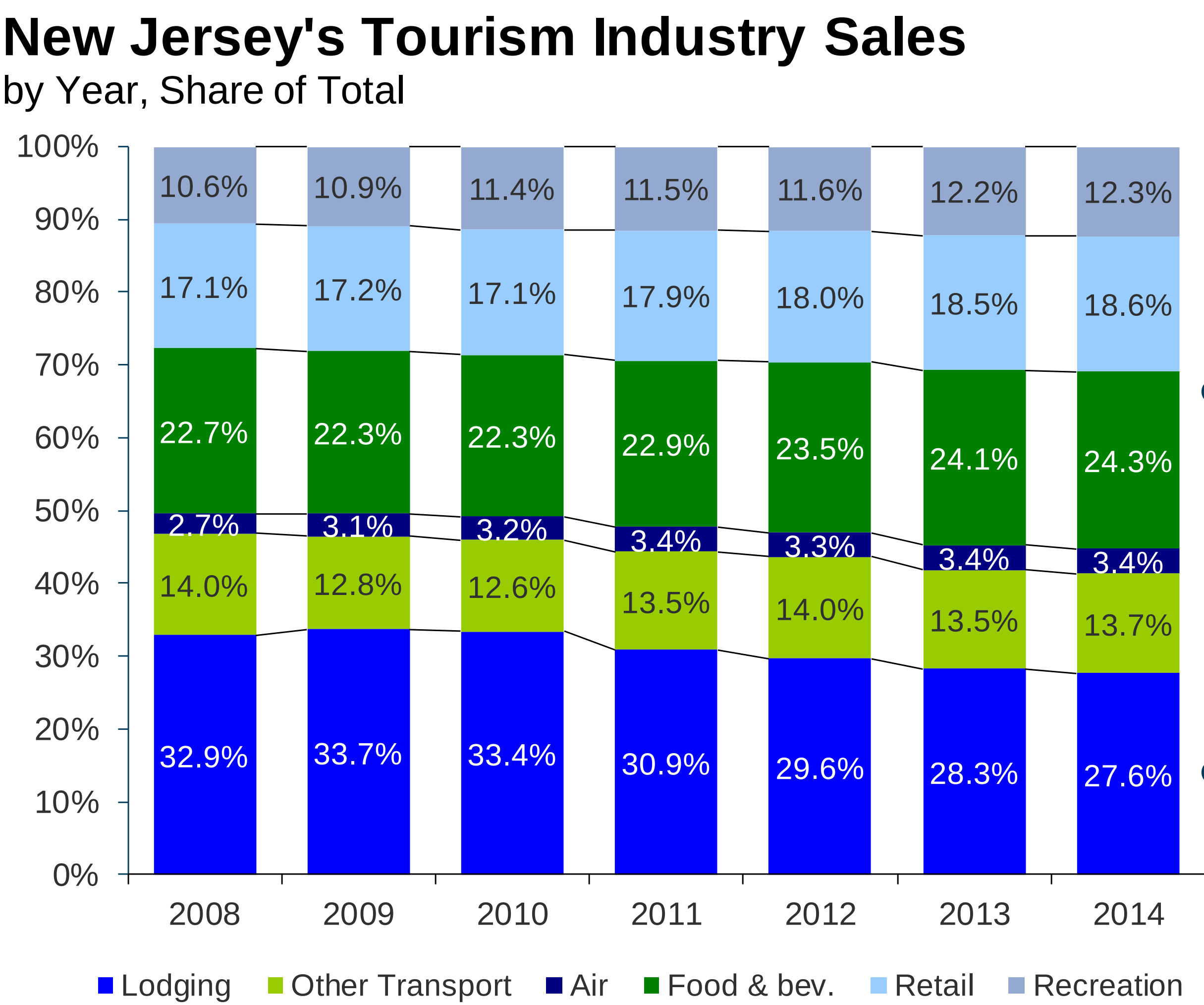
- Lodging—including casino win, room revenue and second homes—is the largest traveler spending category in NJ, capturing 28% of visitor spending.
- Food & beverage spending ranks second, representing 24% of each visitor dollar.
- Non-air transportation's share of the visitor dollar fell below 14% in 2014 as transportation costs stabilized.

Tourism industry sales by sector



- Spending on food and beverages reached $9.7 billion in 2014.
- Spending in every major spending category expanded.
- The majority of gaming win is included in the lodging sector based on industry classifications, holding down spending growth in this category.

Tourism industry sales by sector



- With the decline in casino revenue in New Jersey, the share of the visitor dollar spent in the lodging industry has gone from over a third down to 27.6%.
- With recreational spending out-performing overall spending, its share has grown from 11% in 2009 to 12.3% in 2014.
- The share of the visitor dollar spent at F&B businesses has increased two percentage points in just five years.

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Tourism economy sales

- The Tourism Satellite Account looks at a broader range of tourism-related expenditures, tallying $42.1 billion.

Tourism Satellite Account Spending by Category (US$ Million)						
Year	Domestic Visitor	International Visitor	Non-Visitor PCE	Gov't Support	CAPEX	Total
2014	$36,832.4	$3,156.7	$203.5	$130.2	$1,782.4	$42,105.2
2013	$35,488.4	$3,067.4	$196.2	$125.7	$1,701.3	$40,578.9
% Change	3.8%	2.9%	3.7%	3.6%	4.8%	3.8%

- Non-visitor private consumption expenditures (PCE) represent tourism consumer durables such as an RV, boat, or furniture for a vacation home.
- Government support for tourism includes the budgets for the NJ Division of Travel and Tourism and other budget items in broad support of tourism.
- Capital investment (CAPEX) includes construction of hotels and attractions, as well as tourism equipment and infrastructure.

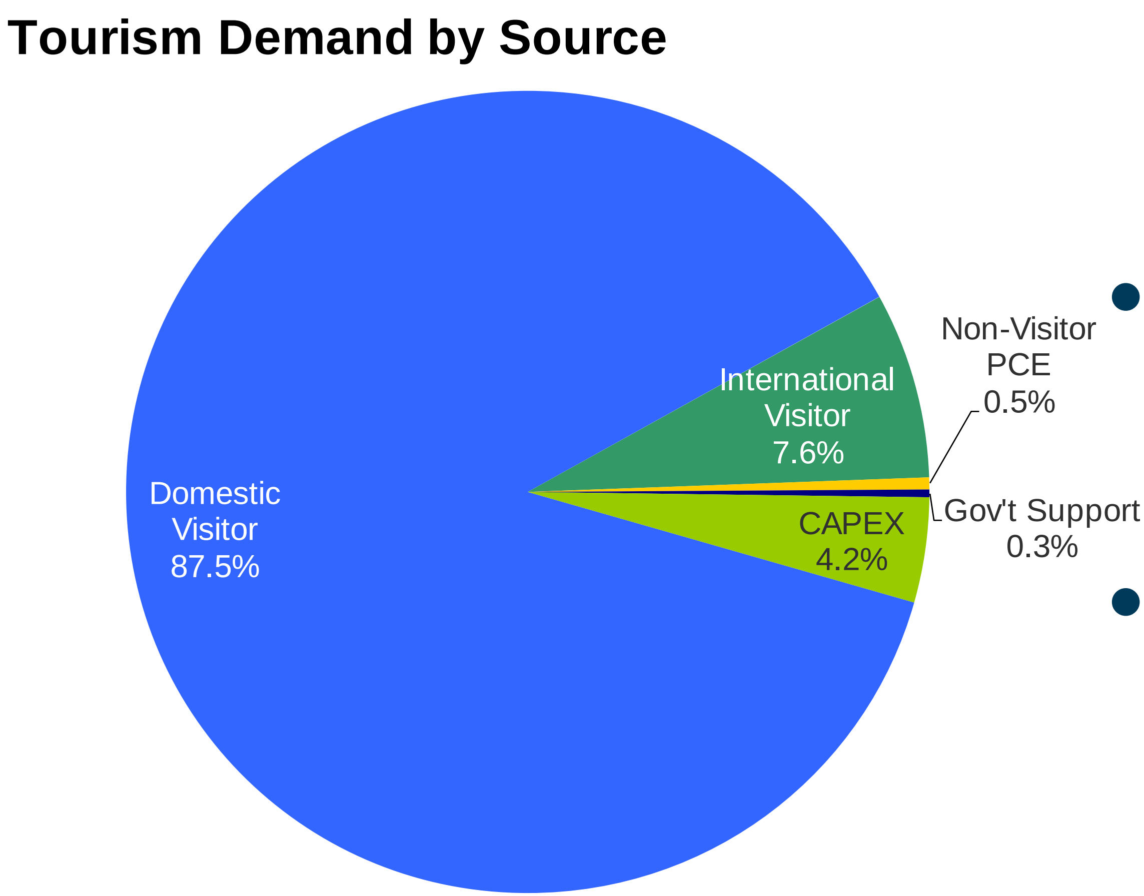
Tourism industry and economy sales

- The direct impact of tourism is driven by tourism industry sales only. This allows for apples-to-apples comparisons with other industries.

- The total economic impact of tourism includes investment in support of tourism, government spending and non-visitor private consumption expenditures (PCE).

Tourism Sales, 2014 State of New Jersey		
Category	Industry	Economy
Lodging	$11,051	$11,051
Food & Beverage	$5,487	$5,487
Retail	$1,370	$1,370
Recreation	$9,720	$9,720
Air	$7,452	$7,452
Other Transport	$4,909	$4,909
Non-Visitor PCE	$0	$203
Investment	$0	$1,782
Government	$0	$130
Total	$39,989	$42,105

Tourism economy sales by source



- Domestic visitor markets comprise the majority (87.5%) of tourism sales in New Jersey.
- International visitor markets contributed 7.6% of tourism sales last year.
- Capital investment in tourism-related construction and machinery & equipment represents 4.2% of tourism economy sales.

Summary of Economic Impacts

Translating sales into impact

- Direct tourism sales flow through the NJ economy, generating GDP, jobs, wages, and taxes.
- The indirect impacts measure supply chain (b2b) activity generated by tourism sales.
- The induced impacts measure the effects of tourism-generated incomes that are spent within the state.

DIRECT TOURISM SALES

Industry
Includes:
Visitor spending
Resident spending
Government spending

Economy
Includes all of the above +
Capital investment
Government support of tourism

INDIRECT IMPACT

Supply chain impacts

INDUCED IMPACT

Spending of direct and indirect tourism employees

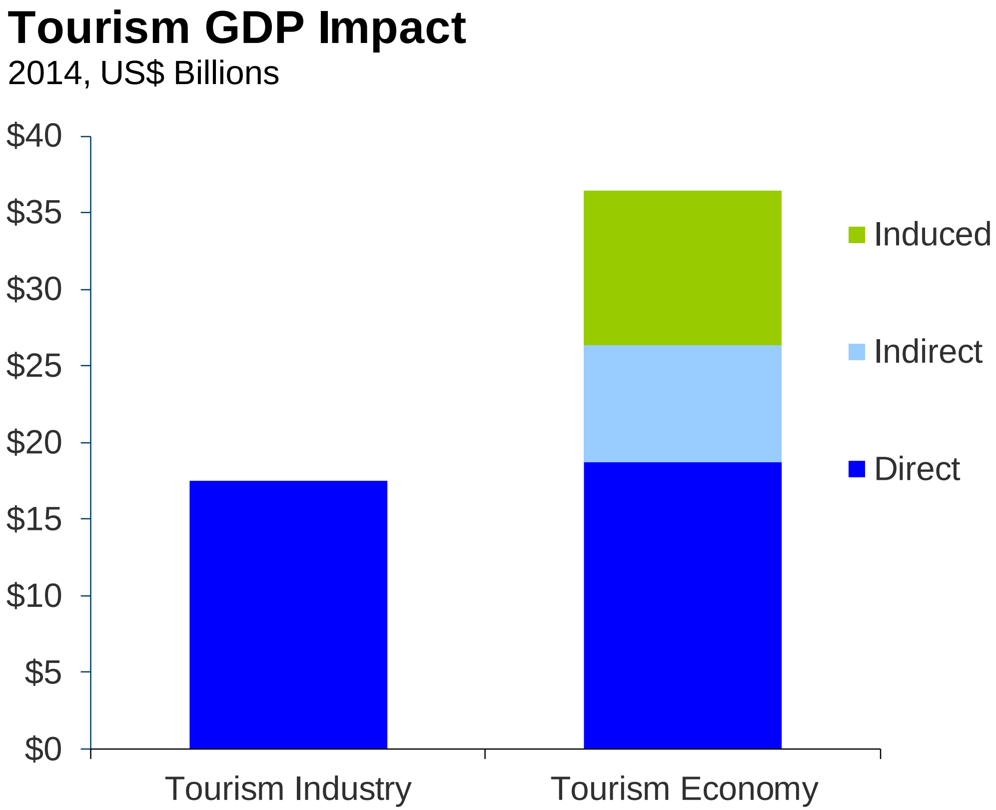
TOTAL IMPACT

Sum of all impacts
- Sales
- Jobs
- Wages
- Taxes

IMPORT LEAKAGES

Tourism impact summary - GDP

- Tourism industry GDP directly generated $17.5 billion of New Jersey GDP in 2014.
- The tourism economy, including direct, indirect and induced impacts, generated GDP of $36.4 billion. This is 6.6% of the state economy.

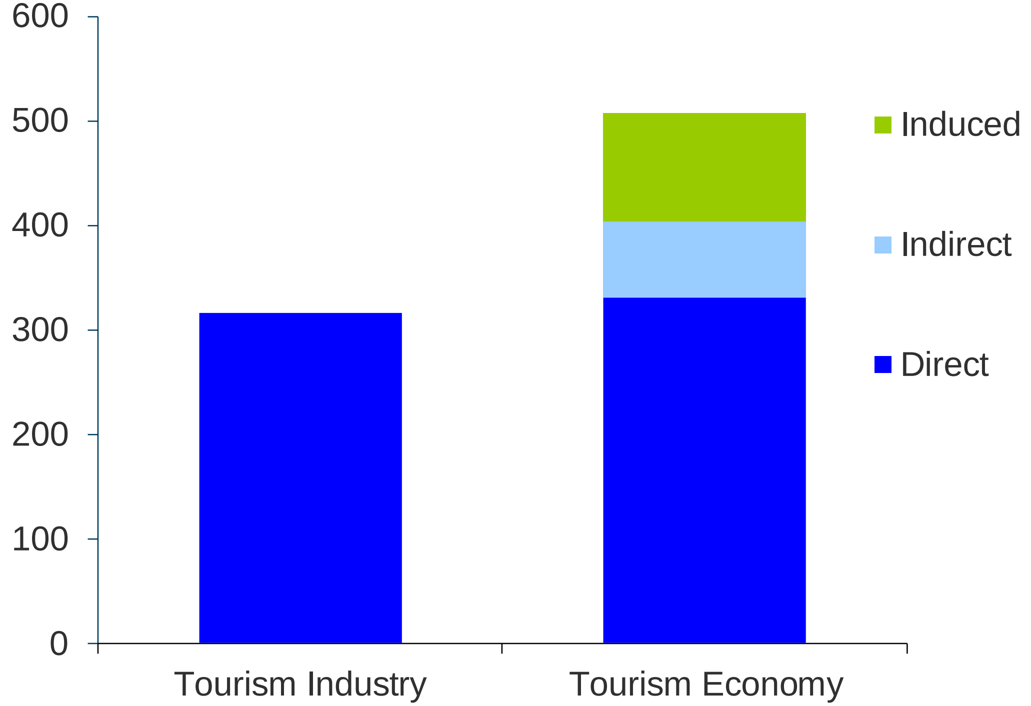


Source: Tourism Economics

Tourism impact summary - Jobs

- Tourism spending directly supported 315,952 jobs in New Jersey in 2014.
- The tourism economy, including direct, indirect and induced impacts, supported 507,903 jobs. This is 9.9% of all jobs in the state.

Tourism Employment Impact
2014, Thousands



Source: Tourism Economics

Direct Tourism Industry

What is the direct economic value of tourism-related sectors?

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Tourism industry impacts

Tourism Impacts		
	GDP	**Jobs**
Agriculture, Fishing, Mining	-	-
Construction and Utilities	-	-
Manufacturing	-	-
Wholesale Trade	-	-
Air Transport	614.6	3,950
Other Transport	705.7	9,485
Retail Trade	1,660.9	38,463
Gasoline Stations	302.5	5,151
Communications	-	-
Finance, Insurance and Real Estate	2,230.2	14,192
Business Services	403.0	3,491
Education and Health Care	-	-
Recreation and Entertainment	1,793.3	50,190
Lodging	5,065.4	56,701
Food & Beverage	4,313.6	123,674
Personal Services	373.2	10,657
Government	-	-
TOTAL	17,462.3	315,952

- Tourism GDP is the value added of those sectors directly interacting with travelers.
- The narrow definition of the tourism industry counts only tourism consumption, which excludes capital investment and general government support of tourism. This definition is consistent with economic accounts.
- On this basis, tourism industry GDP was $17.5 billion in 2014, accounting for 3.4% of total New Jersey GDP.

Why sales and GDP differ

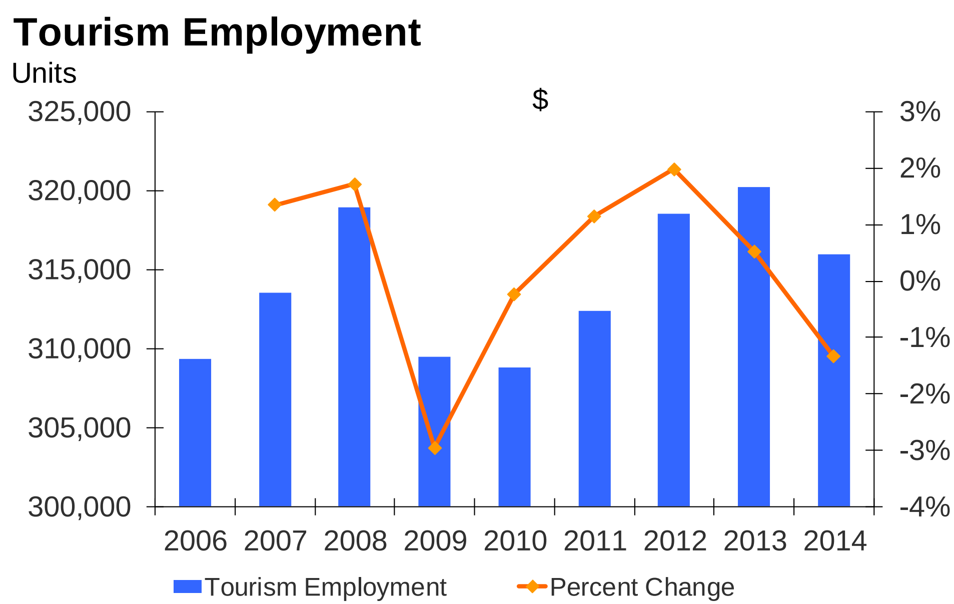
- Tourism industry sales in New Jersey equals $40 billion while GDP measures $17.5 billion.

- GDP (Gross domestic product) is less than sales because it measures only the locally-produced value of goods and services consumed by visitors.
  - This includes the local labor, capital depreciation, and the profits of tourism-related companies that are based in New Jersey.
  - The costs of imported goods (gasoline, food or retail goods) that come from out-of-state are excluded from the GDP calculation.
  - In addition, business profits from out-of-state companies are also excluded. For example, Wal-Mart profits leave the state.

Casino closures impact tourism employment

Tourism Employment									
	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tourism Employment	309,355	313,538	318,929	309,499	308,801	312,369	318,560	320,238	315,952
Percent Change		1.4%	1.7%	-3.0%	-0.2%	1.2%	2.0%	0.5%	-1.3%

- Tourism employment fell for the first time since 2010.
- While most sectors gained jobs, those gains were not enough to make up for the loss of over 7,000 jobs at hotels, related to casino closures.



Source: Tourism Economics

Ranking tourism employment

- The direct employment contribution of the tourism industry was 315,952 in 2014. This narrow measurement of tourism includes only those jobs directly supported by visitor activity and allows for inter-industry ranking.

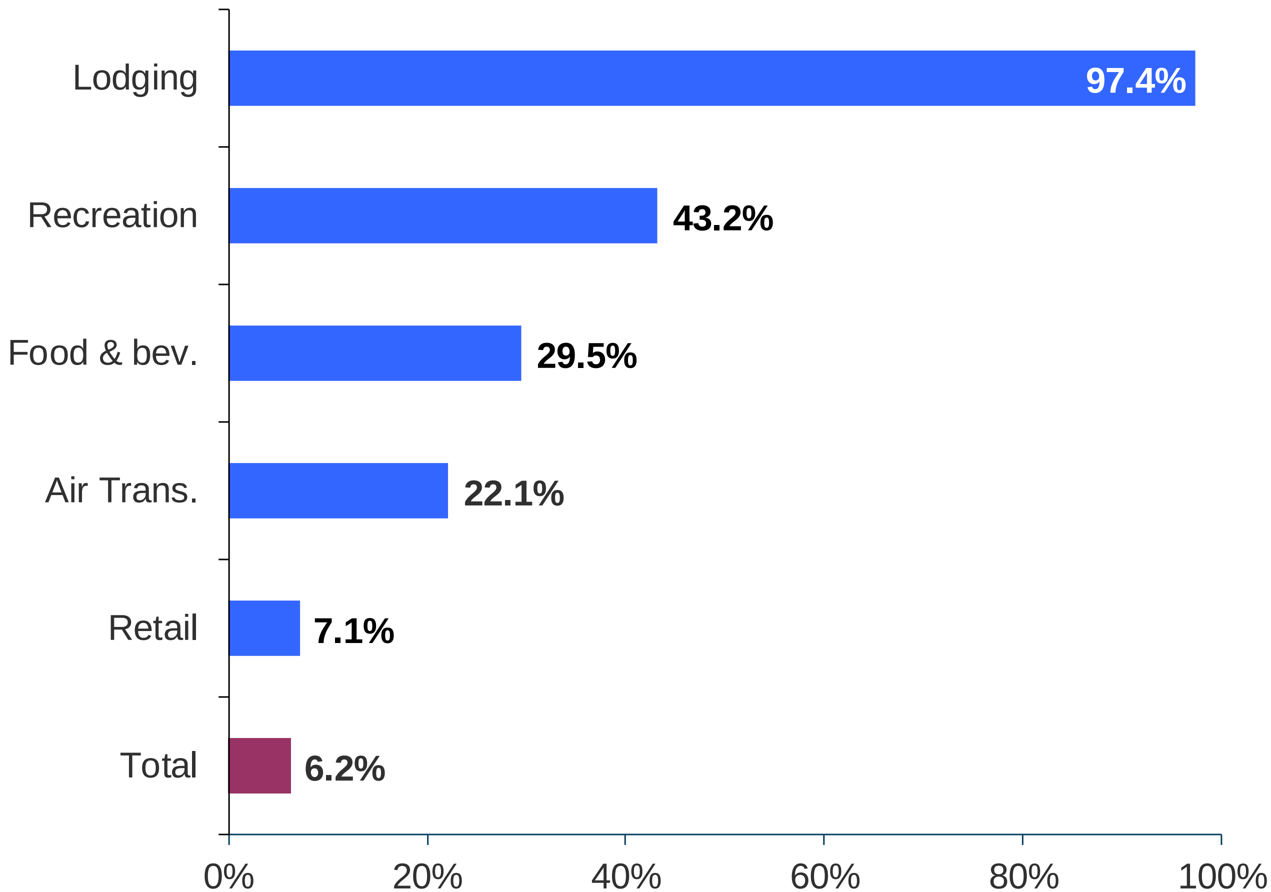
- Examining the Tourism industry against other private sector industries, tourism is the 6th largest employer in the State of New Jersey.

Employment Ranking - Private Sector State of New Jersey		
Rank	**Industry**	**2014**
1	Health care and social assistance	605,480
2	Retail trade	530,309
3	Professional, scientific, and technical services	434,223
4	Finance and insurance	342,233
5	Accommodation and food services	322,679
6	**Tourism**	**315,952**
7	Administrative and support services	315,439
8	Other services, except public administration	278,959
9	Manufacturing	258,123
10	Real estate and rental and leasing	258,677
11	Wholesale trade	234,931
12	Construction	226,290
13	Transportation and warehousing	199,231
14	Educational services	124,198
15	Arts, entertainment, and recreation	114,352

Tourism intensity

- Tourism is a significant part of several industries – nearly 100% of all employment in lodging is supported by tourism spending.

Tourism Employment Intensity by Industry



Total Tourism Economy

What is the total economic impact of tourism in New Jersey?

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Tourism GDP impact

- Total tourism demand includes capital investment and general government support of tourism. By this broad definition, tourism activity directly contributed $18.7 billion to GDP in 2014.

- In total, including all direct tourism demand, indirect and induced impacts, the tourism sector generated GDP of $36.4 billion. This is 6.6% of the state economy.

Tourism GDP impact – total impact

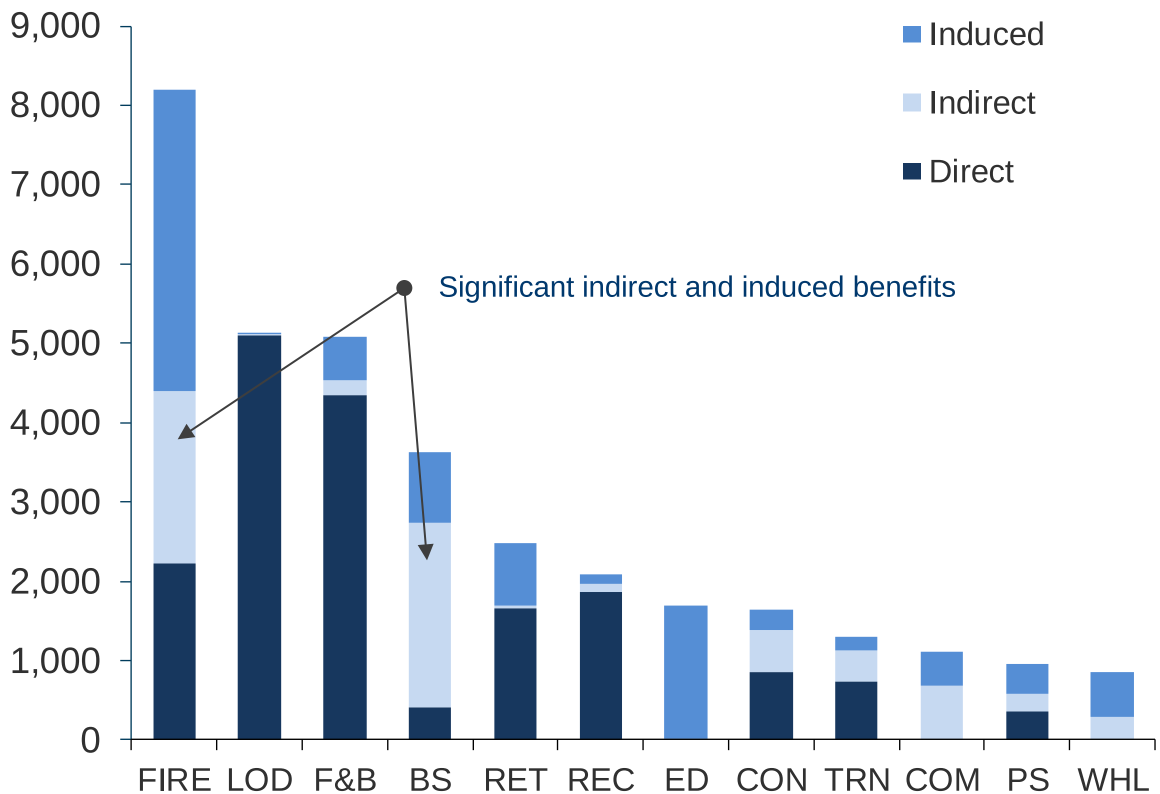
Total Tourism GDP (Value Added) Impact (US$ Million)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	25.3	20.2	45.5
Construction and Utilities	855.4	526.6	260.6	1,642.6
Manufacturing	64.1	348.8	308.2	721.1
Wholesale Trade	-	293.0	562.4	855.5
Air Transport	662.2	19.7	40.6	722.5
Other Transport	733.0	392.0	179.0	1,304.1
Retail Trade	1,652.7	48.8	787.1	2,488.6
Gasoline Stations	300.8	2.9	37.5	341.2
Communications	-	681.7	425.7	1,107.4
Finance, Insurance and Real Estate	2,230.7	2,175.0	3,794.2	8,199.8
Business Services	407.1	2,332.8	895.2	3,635.1
Education and Health Care	-	8.6	1,683.8	1,692.4
Recreation and Entertainment	1,863.1	104.4	112.8	2,080.3
Lodging	5,105.9	10.3	10.8	5,127.1
Food & Beverage	4,348.1	190.0	536.0	5,074.1
Personal Services	365.3	222.8	363.2	951.3
Government	111.7	236.3	96.1	444.1
TOTAL	18,700.3	7,618.8	10,113.5	36,432.7
Percent Change	1.2%	1.9%	1.8%	1.5%

Tourism GDP impact – total impact

- All sectors of the New Jersey economy benefit from tourism activity directly and/or indirectly.

Total Tourism GDP Impact

$ million



F&B	Food & Beverage	ED	Education and Health Care
RET	Retail Trade	FIRE	Finance, Insurance & Real Estate
REC	Recreation and Entertainment	PS	Personal Services
LOD	Lodging	CON	Construction and Utilities
BS	Business Services	AIR	Air Transport
TRN	Other Transport	GAS	Gasoline Stations

Tourism economy employment – total impact

Total Tourism Employment Impact				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	348	368	716
Construction and Utilities	10,426	2,471	1,007	13,904
Manufacturing	897	2,274	1,316	4,487
Wholesale Trade	-	1,619	3,146	4,766
Air Transport	4,084	121	250	4,455
Other Transport	9,348	4,941	2,500	16,788
Retail Trade	38,248	847	13,902	52,996
Gasoline Stations	5,337	49	642	6,028
Communications	-	2,588	1,410	3,999
Finance, Insurance and Real Estate	14,571	14,454	15,845	44,870
Business Services	3,439	27,164	10,460	41,062
Education and Health Care	-	205	26,366	26,571
Recreation and Entertainment	53,272	3,463	3,377	60,111
Lodging	55,716	111	117	55,944
Food & Beverage	123,910	5,443	13,905	143,258
Personal Services	10,665	3,783	7,989	22,437
Government	1,345	2,823	1,342	5,511
TOTAL	331,257	72,704	103,942	507,903
Percent Change	-1.2%	-0.1%	0.3%	-0.8%

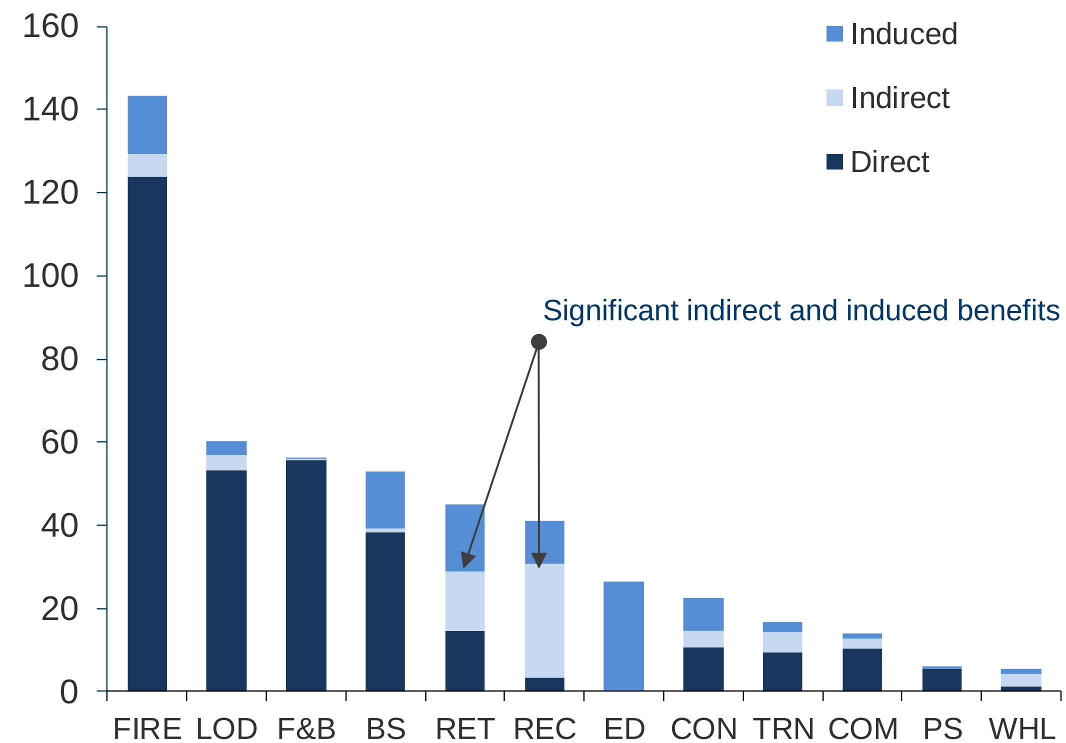
- The tourism sector directly and indirectly supported 507,903 jobs, or 9.9% of all employment in New Jersey last year.

Tourism economy employment – total impact

- Tourism generated the most employment in the restaurant, lodging, and retail sectors.
- Secondary benefits are realized across the entire economy through the supply chain and incomes as they are spent.

Total Tourism Employment Impact

Thousands



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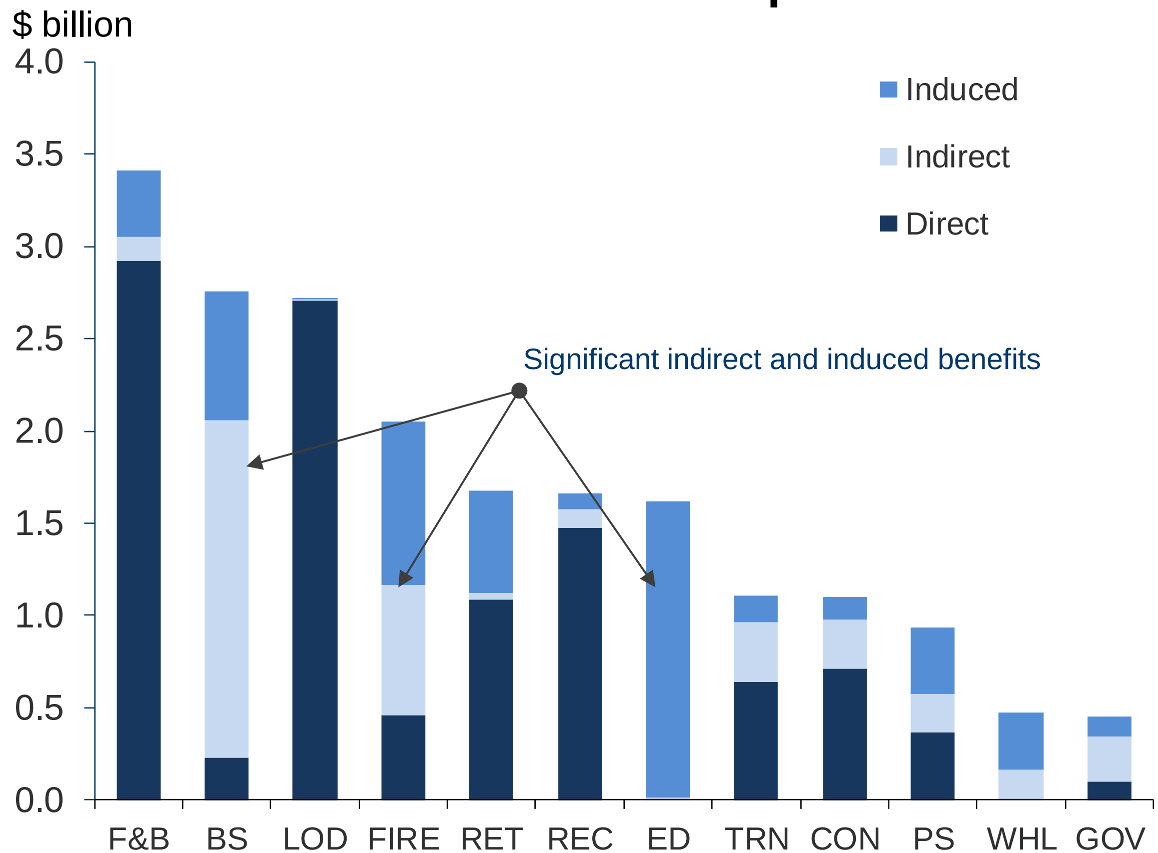
Tourism economy income – total impact

Total Tourism Labor Income Impact (US$ Million)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	14.1	14.0	28.1
Construction and Utilities	711.0	264.6	122.0	1,097.6
Manufacturing	53.1	176.7	127.2	356.9
Wholesale Trade	-	162.3	313.3	475.6
Air Transport	357.3	11.3	23.5	392.1
Other Transport	637.1	324.1	145.7	1,106.8
Retail Trade	1,083.2	35.4	557.3	1,675.9
Gasoline Stations	178.0	1.7	22.8	202.5
Communications	-	290.2	156.2	446.4
Finance, Insurance and Real Estate	458.8	708.9	885.8	2,053.5
Business Services	228.0	1,828.2	696.8	2,753.0
Education and Health Care	-	8.8	1,609.5	1,618.2
Recreation and Entertainment	1,477.6	94.5	87.8	1,659.9
Lodging	2,708.5	5.3	5.7	2,719.5
Food & Beverage	2,923.3	126.9	365.5	3,415.6
Personal Services	362.9	214.0	357.7	934.6
Government	96.1	243.6	113.3	452.9
TOTAL	11,275	4,510	5,604	21,389
Percent Change	1.8%	2.0%	1.7%	1.8%

Tourism economy income – total impact

- The restaurant, lodging, and retail sectors employed the most persons in the tourism sector.
- Secondary benefits are realized across the entire economy through the supply chain and incomes as they are spent.

Total Tourism Labor Income Impact



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Tourism economy tax generation

Traveler Generated Taxes (US$ Million)				
Tax Type	**2011**	**2012**	**2013**	**2014**
Federal Taxes Subtotal	**4,939.7**	**5,158.3**	**5,264.2**	**5,355.8**
Corporate	**747.1**	**772.1**	**789.5**	**801.5**
Indirect Business	**449.4**	**464.4**	**474.9**	**482.1**
Personal Income	**1,606.4**	**1,683.0**	**1,716.5**	**1,747.5**
Social Security	**2,136.8**	**2,238.7**	**2,283.3**	**2,324.6**
State and Local Taxes Subtotal	**4,415.8**	**4,487.1**	**4,547.8**	**4,645.9**
Corporate	**185.2**	**191.4**	**195.7**	**198.7**
Personal Income	**413.3**	**433.0**	**441.6**	**449.6**
Sales	**1,302.4**	**1,342.5**	**1,366.3**	**1,417.1**
Lodging	**120.7**	**128.5**	**133.2**	**139.2**
Local	40.7	43.3	45.2	47.3
State	80.0	85.2	88.0	91.9
Property	**2,017.4**	**2,017.4**	**2,052.3**	**2,097.4**
Excise and Fees	**350.2**	**346.5**	**330.4**	**315.0**
State Unemployment	**26.6**	**27.8**	**28.4**	**28.9**
TOTAL	**9,355.5**	**9,645.4**	**9,812.1**	**10,001.7**

- As a result of tourism activity, governments received $10 billion in tax and assessment revenues in 2014.
- State and local taxes alone tallied $4.6 billion.
- Each household in New Jersey would need to be taxed an additional $1,460 per year to replace the tourism taxes received by state and local governments.

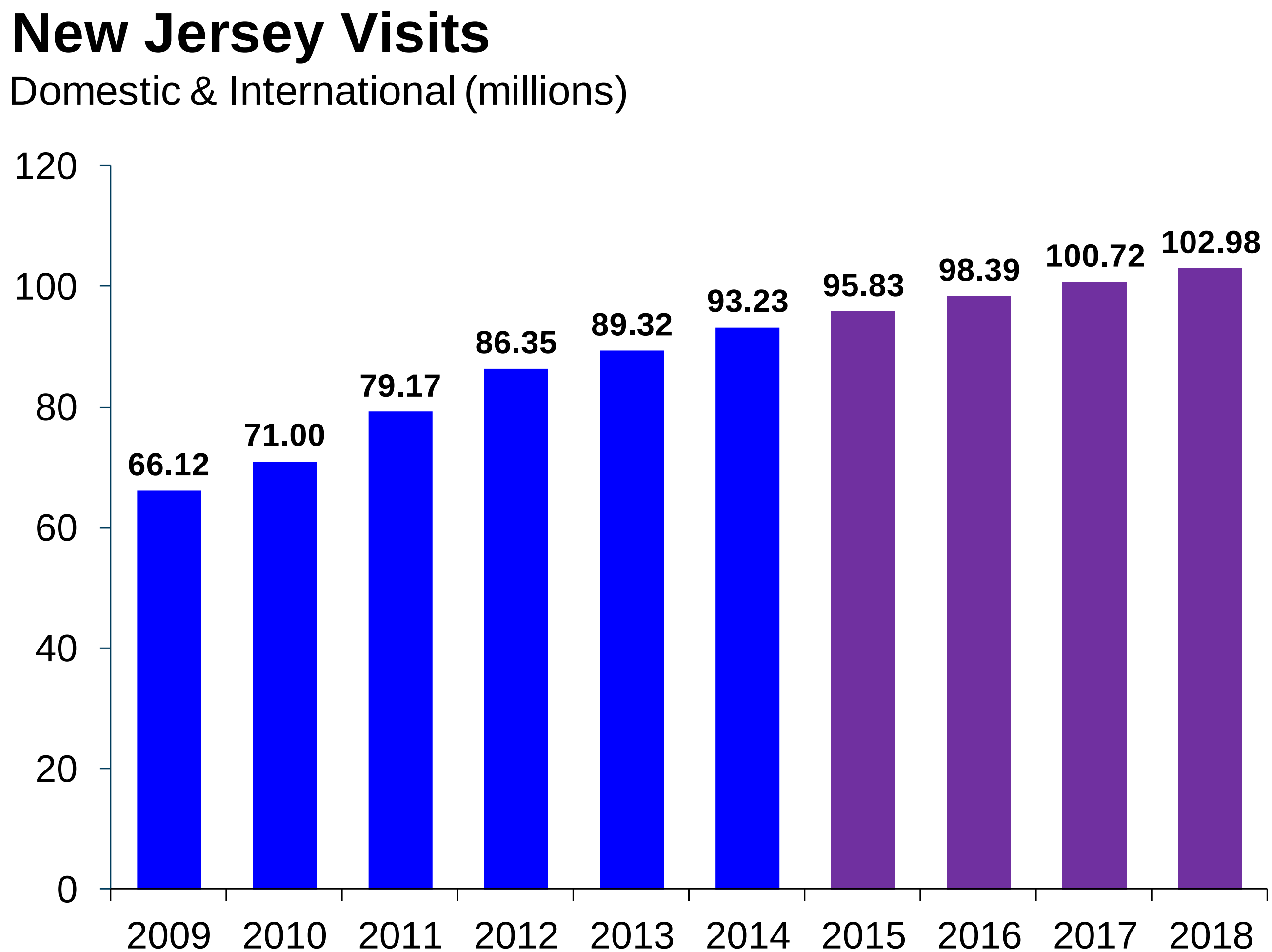
Visitation Forecast

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

Key points

- For the first time in several years, no major weather event discouraged visitation to New Jersey.
- Visitor volume reached 93.2 million in 2014, a 4.4% increase over 2013.
- We expect visitation growth to maintain strength in 2015, for a combination of reasons:
  - Strong U.S. employment growth – averaging more than 300,000 over the past three months
  - Strengthening wage growth in the US in 2015
  - Consumer spending is now driving US economic growth
  - Lower travel costs – mainly from declines in gas prices
- A key wildcard: the weather. As we have seen in the past couple of years, an ill-timed hurricane or winter storm that either impacts travel or forces evacuations of certain communities can have a significant impact on visitation.

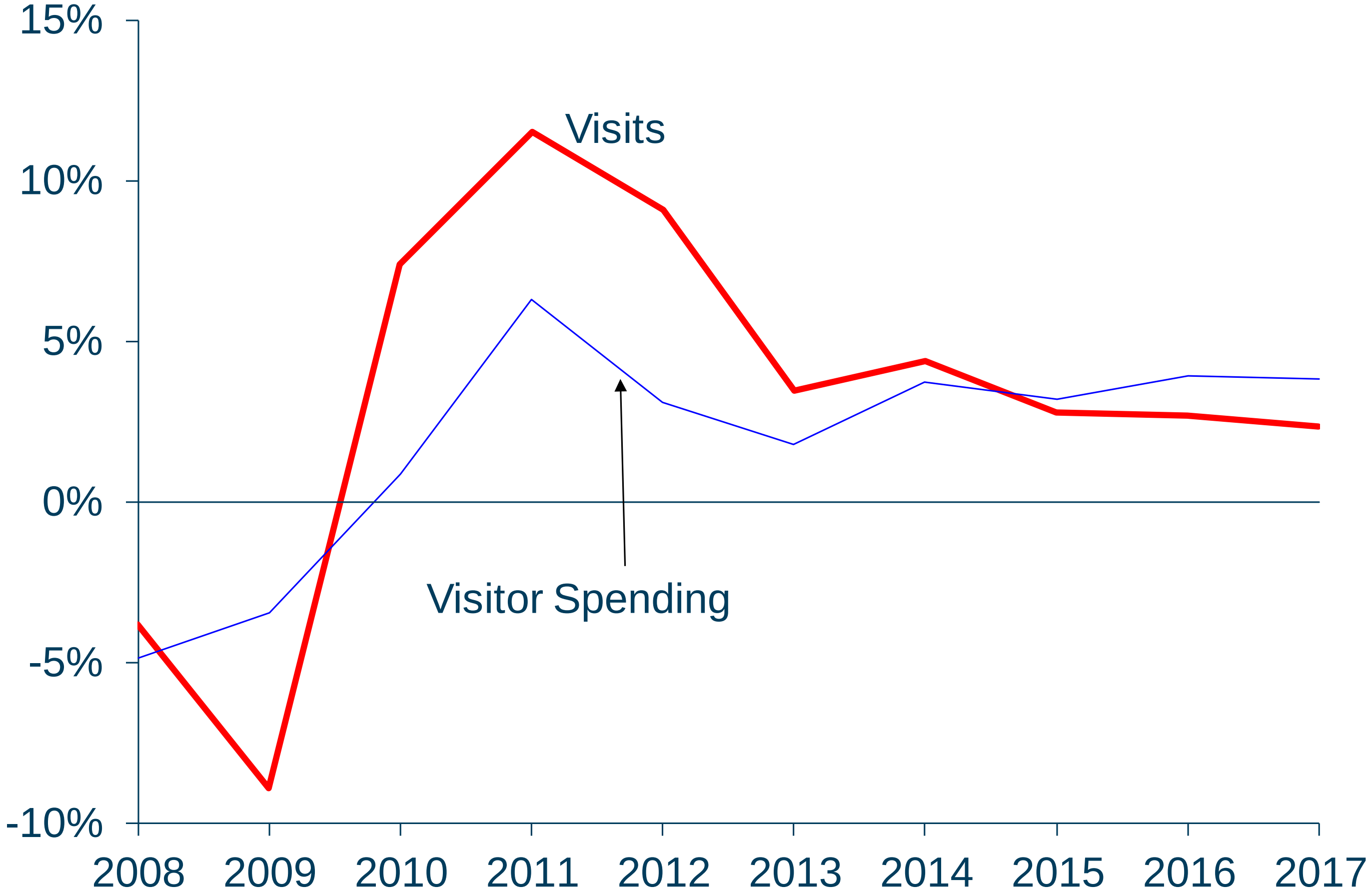
Visitation



Source : Tourism Economics

Visitation and spending

Growth in Visits and Spending

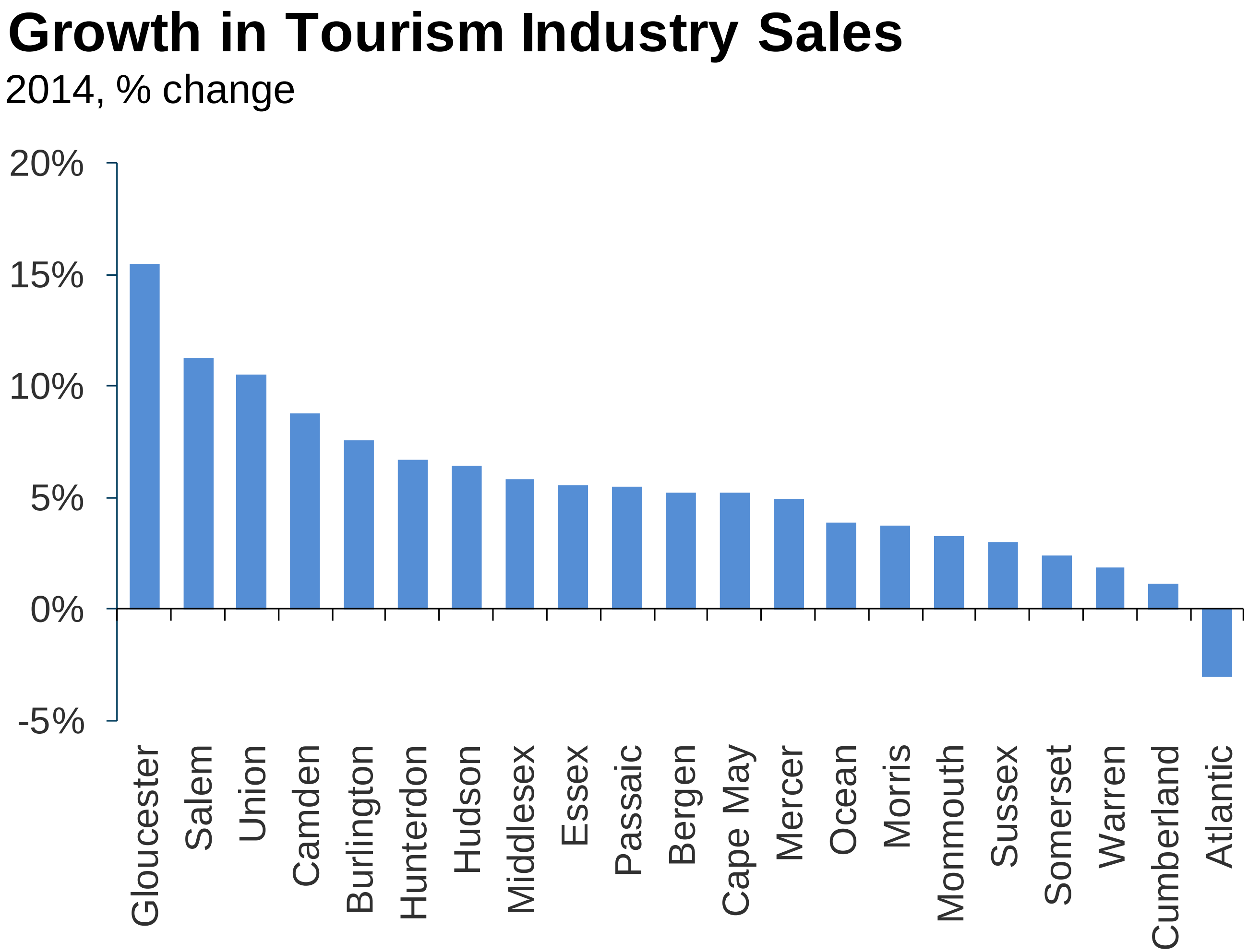


New Jersey visits and spending forecast

NJ Tourism Forecast						
Year	Visits (Million)	Pch Chng	Spending (US$ Million)	Pch Chng	S&L Tax Revenue (US$ Million)	Pch Chng
2007	75.50		$37,339.2	0.0%		
2008	72.61	-3.8%	$35,518.7	-4.9%		
2009	66.12	-8.9%	$34,288.3	-3.5%		
2010	71.00	7.4%	$34,577.2	0.8%		
2011	79.17	11.5%	$36,752.9	6.3%	$4,415.8	
2012	86.35	9.1%	$37,883.9	3.1%	$4,487.1	1.6%
2013	89.32	3.4%	$38,555.8	1.8%	$4,547.8	1.4%
2014	93.23	4.4%	$39,989.1	3.7%	$4,681.2	2.9%
2015	95.83	2.8%	$41,259.2	3.2%	$4,784.6	2.2%
2016	98.39	2.7%	$42,881.0	3.9%	$4,930.9	3.1%
2017	100.72	2.4%	$44,520.3	3.8%	$5,075.9	2.9%
2018	102.98	2.3%	$46,311.3	4.0%	$5,235.0	3.1%

County Results

County growth in tourism sales



Source : Tourism Economics

County Analysis

- Counties in the Delaware River and Gateway regions ranked highest in tourism spending growth with nine out of the top ten counties located in these two regions.
  - These two regions also saw the highest growth in overnight leisure visitors among the state’s tourism regions according to D.K. Shifflet.
- Of the shore counties, Cape May’s visitor spending growth ranked highest.
- While shore county bed tax collections were strong during the summer months, bed taxes were much lower in the beginning of 2014 compared to strong 2013 performance related to Superstorm Sandy hotel stays.

County Analysis

- Atlantic County was the only county to register negative tourism spending growth:
  - Revenue from gaming declined 4.5% in 2014.
  - Rooms sold declined nearly 8%.
- The news is not all negative. Along with the other shore counties, Atlantic County experienced a strong summer season with bed tax revenues up an average of 8% during the summer months.

Tourism spending by county

Tourism Direct Sales (Millions of dollars)						
County	2010	2011	2012	2013	2014	Percent Change
New Jersey	$34,577	$36,753	$37,884	$38,556	$39,989	3.7%
Atlantic County	$7,696	$7,802	$7,558	$7,318	$7,093	-3.1%
Bergen County	$2,231	$2,461	$2,535	$2,628	$2,766	5.2%
Burlington County	$1,110	$1,217	$1,301	$1,344	$1,447	7.6%
Camden County	$633	$681	$704	$723	$786	8.8%
Cape May County	$4,809	$5,167	$5,381	$5,506	$5,794	5.2%
Cumberland County	$263	$295	$316	$317	$321	1.1%
Essex County	$2,633	$2,886	$2,953	$3,095	$3,267	5.5%
Gloucester County	$320	$343	$347	$354	$409	15.5%
Hudson County	$1,533	$1,613	$1,685	$1,767	$1,881	6.4%
Hunterdon County	$249	$274	$282	$288	$307	6.7%
Mercer County	$970	$1,069	$1,113	$1,152	$1,210	5.0%
Middlesex County	$1,681	$1,855	$1,998	$2,078	$2,200	5.9%
Monmouth County	$1,889	$1,976	$2,104	$2,208	$2,280	3.3%
Morris County	$1,607	$1,763	$1,829	$1,961	$2,035	3.7%
Ocean County	$3,509	$4,014	$4,288	$4,190	$4,353	3.9%
Passaic County	$425	$471	$483	$496	$523	5.5%
Salem County	$126	$163	$179	$176	$196	11.3%
Somerset County	$943	$1,005	$1,046	$1,094	$1,120	2.4%
Sussex County	$450	$489	$510	$536	$553	3.0%
Union County	$975	$1,064	$1,118	$1,169	$1,292	10.6%
Warren County	$136	$145	$155	$155	$157	1.8%

Tourism spending by county

Tourism Direct Sales (Millions of dollars)							
County	Lodging	Food & beverage	Retail	Recreation	Transport	2nd homes	Total
2014							
New Jersey	11,051.1	9,720.0	7,451.9	4,909.1	6,857.0	4,024.0	39,989.1
Atlantic County	3,887.9	1,312.1	1,008.2	375.8	508.8	391.9	7,092.8
Bergen County	454.1	816.9	531.2	397.6	566.3	24.9	2,766.1
Burlington County	191.9	383.7	318.6	179.7	372.7	12.2	1,446.6
Camden County	84.5	210.7	157.7	130.4	203.1	8.8	786.5
Cape May County	2,296.3	1,286.1	1,153.5	668.6	389.6	1,947.5	5,794.1
Cumberland County	39.2	82.1	74.5	35.0	89.7	14.7	320.6
Essex County	328.6	572.2	370.1	267.6	1,728.1	19.0	3,266.6
Gloucester County	41.3	133.9	75.0	56.7	102.0	8.4	408.8
Hudson County	389.7	566.2	393.9	265.6	265.4	18.0	1,880.9
Hunterdon County	34.8	75.9	64.8	50.1	81.7	7.4	307.4
Mercer County	199.4	349.7	259.1	173.2	228.2	14.6	1,209.6
Middlesex County	326.1	637.6	489.6	282.7	464.0	9.9	2,199.9
Monmouth County	447.7	584.7	427.7	514.1	306.2	265.2	2,280.5
Morris County	410.3	544.7	373.7	337.7	368.2	28.3	2,034.5
Ocean County	1,281.5	1,041.1	935.3	600.4	494.6	1,146.2	4,352.8
Passaic County	62.7	182.6	106.2	77.3	94.3	21.1	523.1
Salem County	20.7	40.8	46.1	17.5	70.9	2.4	196.0
Somerset County	207.2	337.1	243.0	189.8	143.2	14.9	1,120.3
Sussex County	123.6	139.4	117.8	81.7	90.1	53.8	552.6
Union County	202.4	385.5	274.6	186.3	243.2	6.2	1,292.0
Warren County	21.0	37.2	31.4	21.3	46.6	8.6	157.5

Tourism spending by county

Tourism Direct Sales (Millions of dollars)							
County	Lodging	Food & beverage	Retail	Recreation	Transport	2nd homes	Total
2013							
New Jersey	10,913.6	9,283.1	7,130.5	4,701.5	6,527.1	3,869.0	38,555.8
Atlantic County	4,038.7	1,323.0	1,043.1	393.6	519.2	384.8	7,317.6
Bergen County	428.0	770.4	517.1	376.2	536.5	25.8	2,628.3
Burlington County	179.0	355.1	292.9	167.2	350.4	8.4	1,344.5
Camden County	76.0	193.2	150.4	119.5	183.7	8.4	722.9
Cape May County	2,249.0	1,212.3	1,043.8	637.7	363.5	1,918.9	5,506.3
Cumberland County	43.0	79.6	74.6	33.9	86.0	18.8	317.1
Essex County	307.6	534.4	342.3	251.8	1,658.8	11.2	3,094.9
Gloucester County	34.0	113.8	71.5	49.3	85.3	5.9	353.9
Hudson County	369.5	528.4	372.9	249.8	246.3	12.7	1,766.9
Hunterdon County	31.8	70.6	61.3	46.7	77.8	5.6	288.2
Mercer County	192.3	327.7	252.4	164.4	215.4	17.0	1,152.2
Middlesex County	315.9	596.1	459.5	268.1	438.6	8.1	2,078.3
Monmouth County	433.2	573.0	416.6	489.7	295.7	235.2	2,208.2
Morris County	393.7	515.6	364.4	321.8	365.5	29.7	1,961.0
Ocean County	1,216.5	1,027.6	893.2	583.2	469.0	1,076.4	4,189.5
Passaic County	59.3	173.4	101.2	73.9	88.1	18.7	496.0
Salem County	17.9	36.6	42.5	17.1	62.0	1.5	176.2
Somerset County	206.6	328.2	231.8	184.8	142.7	15.8	1,094.2
Sussex County	119.4	136.9	117.7	80.2	82.2	50.6	536.3
Union County	179.4	351.3	251.6	172.2	214.0	5.2	1,168.6
Warren County	22.8	35.7	29.6	20.3	46.2	10.3	154.7

Tourism employment by county

Direct Tourism Employment						
County	2010	2011	2012	2013	2014	Percent Change
New Jersey	310,326	312,369	318,560	320,238	315,952	-1.3%
Atlantic County	62,037	59,890	60,686	58,189	52,112	-14.1%
Bergen County	23,978	24,449	23,921	24,122	23,911	0.0%
Burlington County	14,044	14,204	14,686	14,867	15,005	2.2%
Camden County	8,060	8,079	8,042	8,103	8,324	3.5%
Cape May County	24,408	24,520	25,181	25,457	25,674	2.0%
Cumberland County	3,015	3,097	3,202	3,154	3,096	-3.3%
Essex County	20,529	20,890	20,996	21,095	21,257	1.2%
Gloucester County	4,341	4,389	4,491	4,505	4,755	5.9%
Hudson County	16,786	16,822	16,917	17,141	17,641	4.3%
Hunterdon County	2,614	2,698	2,750	2,794	2,841	3.3%
Mercer County	11,011	11,153	11,265	11,855	12,392	10.0%
Middlesex County	19,862	20,204	21,442	21,960	22,117	3.2%
Monmouth County	19,578	19,739	20,340	21,113	21,174	4.1%
Morris County	19,302	19,988	20,260	21,589	21,707	7.1%
Ocean County	24,318	24,991	26,175	25,614	25,335	-3.2%
Passaic County	5,229	5,349	5,307	5,370	5,332	0.5%
Salem County	1,448	1,523	1,569	1,524	1,551	-1.1%
Somerset County	10,770	10,940	11,277	11,490	10,916	-3.2%
Sussex County	5,977	6,160	6,265	6,327	6,162	-1.6%
Union County	11,427	11,692	12,153	12,327	13,026	7.2%
Warren County	1,594	1,591	1,637	1,644	1,625	-0.7%

Tourism impacts by county

Tourism Impacts by County				
County	Tourism Employment: Direct Impact	Direct Share of Total Employment	Tourism Employment: Total Impact	Total Share of Total Employment
New Jersey	315,952	6.2%	507,903	9.9%
Atlantic County	52,112	30.4%	69,936	40.9%
Bergen County	23,911	3.8%	43,306	6.9%
Burlington County	15,005	5.5%	23,314	8.6%
Camden County	8,324	3.2%	15,516	6.0%
Cape May County	25,674	40.5%	36,016	56.9%
Cumberland County	3,096	4.2%	5,301	7.3%
Essex County	21,257	4.7%	38,523	8.5%
Gloucester County	4,755	3.7%	8,152	6.3%
Hudson County	17,641	5.4%	29,584	9.1%
Hunterdon County	2,841	3.6%	4,913	6.2%
Mercer County	12,392	4.6%	22,631	8.4%
Middlesex County	22,117	4.3%	38,667	7.6%
Monmouth County	21,174	5.8%	32,396	8.9%
Morris County	21,707	5.5%	35,573	8.9%
Ocean County	25,335	10.5%	36,584	15.2%
Passaic County	5,332	2.3%	11,472	5.0%
Salem County	1,551	5.5%	2,536	8.9%
Somerset County	10,916	4.5%	19,692	8.2%
Sussex County	6,162	9.9%	8,093	13.0%
Union County	13,026	4.4%	22,752	7.6%
Warren County	1,625	3.6%	2,945	6.5%

County employment shares are comparisons against total county private employment (BEA)

Tourism impacts by county

Tourism Tax Impacts by County						
State and Local Tax Receipts (millions)						
	2011	2012	2013	2014	Percent Change	Share of State
New Jersey	$4,415.8	$4,487.1	$4,547.8	$4,645.9	2.2%	100.0%
Atlantic County	$854.5	$830.6	$806.7	$775.9	-3.8%	16.7%
Bergen County	$345.1	$350.6	$359.6	$373.0	3.7%	8.0%
Burlington County	$153.6	$160.8	$163.4	$171.5	4.9%	3.7%
Camden County	$99.6	$100.1	$102.5	$106.6	3.9%	2.3%
Cape May County	$482.3	$489.8	$507.5	$518.1	2.1%	11.2%
Cumberland County	$37.0	$38.1	$37.8	$37.5	-0.7%	0.8%
Essex County	$332.9	$335.1	$344.7	$356.6	3.5%	7.7%
Gloucester County	$52.9	$52.1	$52.7	$57.3	8.8%	1.2%
Hudson County	$205.9	$213.0	$221.0	$230.7	4.4%	5.0%
Hunterdon County	$38.5	$38.6	$39.8	$41.3	3.8%	0.9%
Mercer County	$143.9	$144.7	$149.0	$154.4	3.6%	3.3%
Middlesex County	$259.6	$275.8	$282.8	$294.9	4.3%	6.3%
Monmouth County	$257.0	$269.1	$276.5	$282.3	2.1%	6.1%
Morris County	$243.6	$249.5	$268.6	$275.8	2.7%	5.9%
Ocean County	$429.8	$438.6	$420.3	$434.5	3.4%	9.4%
Passaic County	$81.8	$80.6	$82.2	$84.5	2.8%	1.8%
Salem County	$18.6	$19.5	$19.3	$20.7	7.3%	0.4%
Somerset County	$147.0	$152.1	$156.8	$159.3	1.6%	3.4%
Sussex County	$58.6	$59.1	$63.4	$64.8	2.2%	1.4%
Union County	$152.0	$157.2	$161.5	$171.2	6.0%	3.7%
Warren County	$21.7	$22.1	$22.1	$22.1	-0.2%	0.5%

Methodology and Background

Methods and data sources

- Domestic visitor expenditure estimates are provided by DK Shifflet's representative survey of US travelers. These are broken out by sectors (lodging, transport at destination, food & beverage, retail, and recreation), by purpose (business and leisure), and by length of stay (day and overnight).
- Tourism Economics then adjusts these levels of spending based on a range of known measures of tourism activity:
  - Overseas visitor spending (source: OTTI, TE)
  - Canada visitor spending (source: Statistics Canada, TE)
  - Bed tax receipts (source: State of NJ, Department of Treasury)
  - Spending on air travel which accrues to all airports and locally-based airlines
  - Gasoline purchases by visitors (source: TE calculation)
  - Smith Travel Research data on hotel revenues
  - Construction Value by McGraw-Hill Construction
  - Industry data on employment, wages, GDP, and sales (source: BEA, BLS, Census)
  - Previous research on the economic impact of NJ tourism

Methods and data sources

- An IMPLAN model was compiled for the State of New Jersey. This traces the flow of visitor-related expenditures through the local economy and their effects on employment, wages, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts of tourism.
- All results are benchmarked and cross-checked and adjusted based on the following:
  - US Bureau of Labor Statistics and Bureau of Economic Analysis (employment and wages by industry)
  - US Census (business sales by industry)
- The source of the employment and wage data is the Regional Economic Information System (REIS), Bureau of Economic Analysis, U.S. Department of Commerce. All employment rankings are based on Bureau of Labor Statistics (ES202/QCEW) data.

Selected recent economic impact clients

Associations / Companies

Center for Exhibition Industry Research (Economic Impact of Visa Restrictions)

DMAI (Event Impact Calculator for 80 CVBs)

US Travel Association (Impact of travel promotion)

InterContinental Hotels

States

California

Georgia

Maryland

New York

North Carolina

Ohio

Pennsylvania

Wisconsin

Cities

Baltimore, MD

Columbus, OH

Kansas City, MO

London, United Kingdom

New York City

Omaha, NE

Orlando, FL

Philadelphia, PA

Pittsburgh, PA

Rockford, IL

Countries / Provinces

Bahamas

Bermuda

Cayman Islands

Dubai

Ontario Canada

St. Lucia

United Kingdom

About Tourism Economics

- Tourism Economics, headquartered in Philadelphia, is an Oxford Economics company dedicated to providing high value, robust, and relevant analyses of the tourism sector that reflects the dynamics of local and global economies. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, project feasibility analysis, tourism forecasting models, tourism policy analysis, and economic impact studies.
- Our staff have worked with over 100 destinations to quantify the economic value of tourism, forecast demand, guide strategy, or evaluate tourism policies.
- Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics is founded on a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of 40 highly-experienced professional economists; a dedicated data analysis team; global modeling tools; close links with Oxford University, and a range of partner institutions in Europe, the US and in the United Nations Project Link.
- For more information: info@tourismeconomics.com.