



# GENERAL SESSION UNDERSTANDING TOURISM'S ECONOMIC IMPACT

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WEST VIRGINIA TOURISM OFFICE

# **WEST VIRGINIA TRAVEL IMPACTS**

Dean Runyan Associates

# HOW THIS DATA IS COLLECTED

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- West Virginia Department of Revenue (tax rates and revenue)
- West Virginia State Auditor's Office (B&O tax)
- West Virginia Lottery (racetrack video lottery, table games)
- West Virginia Racing Commission (live and on-site wagering)
- Counties and local municipalities (hotel occupancy tax receipts)

# HOW THIS DATA IS COLLECTED

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- U.S. Census Bureau (payroll to receipts ratios, vacation and private homes)
- U.S. Bureau of Labor Statistics (payroll and employment data, CPI)
- U.S. Bureau of Economic Analysis (earnings and self-employment, GDP)
- Energy Information Administration (motor fuel prices and volume)
- Visitor Survey Data (travel spending and type distributions)
- Smith Travel Research (average room rates)

# TRAVEL DEFINED

Overnight Stay: Night spent away from home in West Virginia

Day Travel: Both in-state (over 50 miles one-way) and out-of-state residents whose trip does not include an overnight stay in West Virginia

Business or Leisure

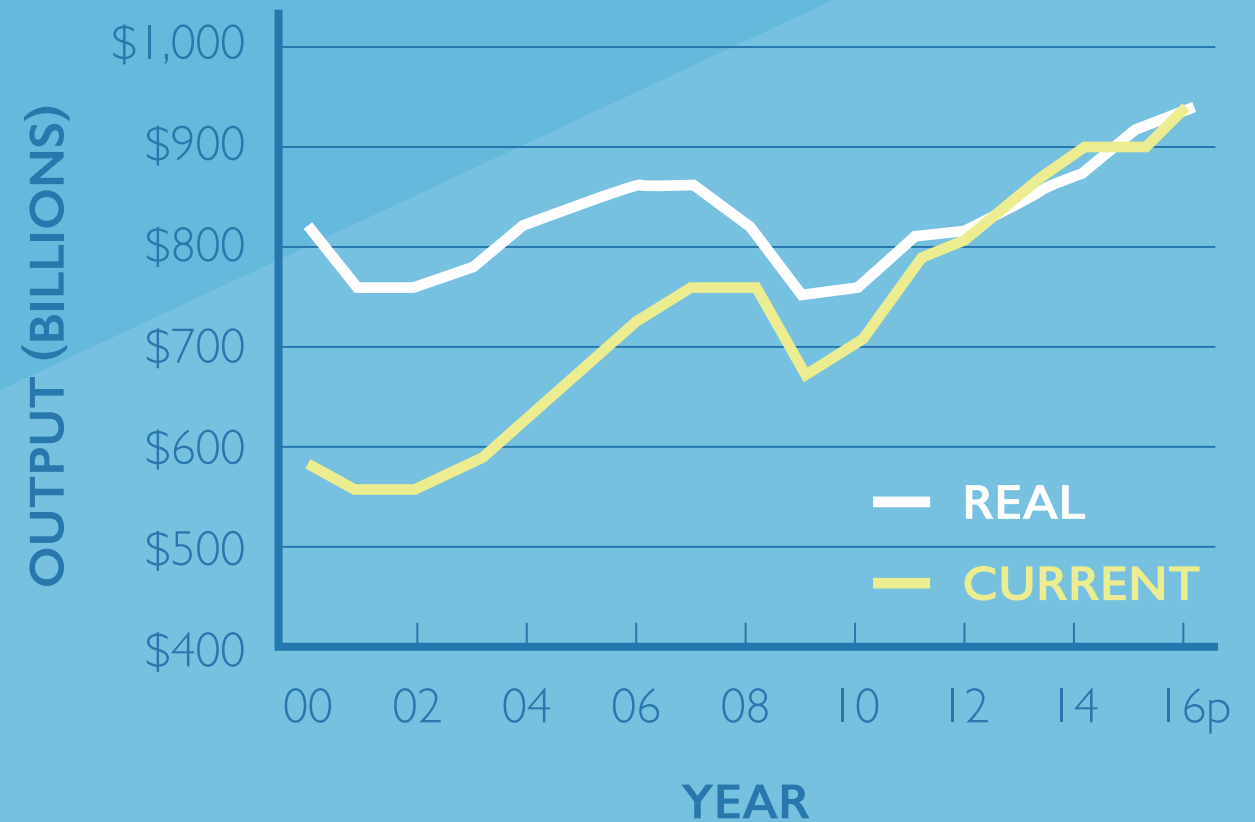
# **NATIONAL TRENDS**

Direct Spending and Industry Employment

# NATIONAL TRENDS: 2016 SPENDING

Direct Spending  
**\$933 Billion**

## ANNUAL DIRECT TRAVEL SPENDING in U.S. 2000-16p



"REAL" is adjusted for inflation

# NATIONAL TRENDS: 2016 JOBS

## U.S. TRAVEL INDUSTRY EMPLOYMENT

Travel-Generated Employment  
**5.3 Million Jobs**



Source: Bureau of Economic Analysis Travel & Tourism Satellite Accounts.



# **WEST VIRGINIA DIRECT IMPACTS**

Direct Spending, Employment, and Revenues

# TOTAL DIRECT SPENDING



Direct Spending  
**\$4.1 Billion**

Equivalent to  
**\$11.3 Million per Day**



Increased by **5.8%** per Year between 2000 and 2012



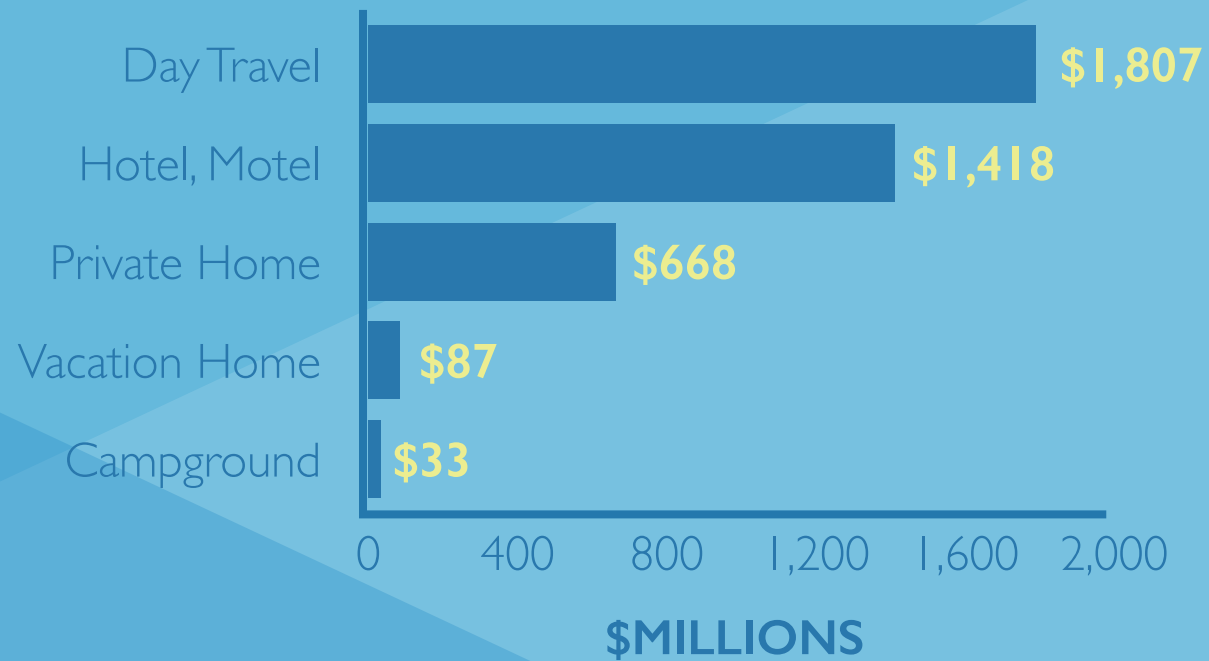
Decreased by **3.8%** per Year Since 2012

# SPENDING BREAKDOWN

## WV VISITOR SPENDING

by Type of Traveler  
Accommodation, 2016p

(\$Millions)



# 2016 JOBS AND EARNINGS



**44,900**

Travel-Generated Employment



**\$1.1 Billion**

Earnings

# LOCAL AND STATE REVENUES

**\$527 Million**

In Travel-Generated  
State and Local  
Tax Revenue

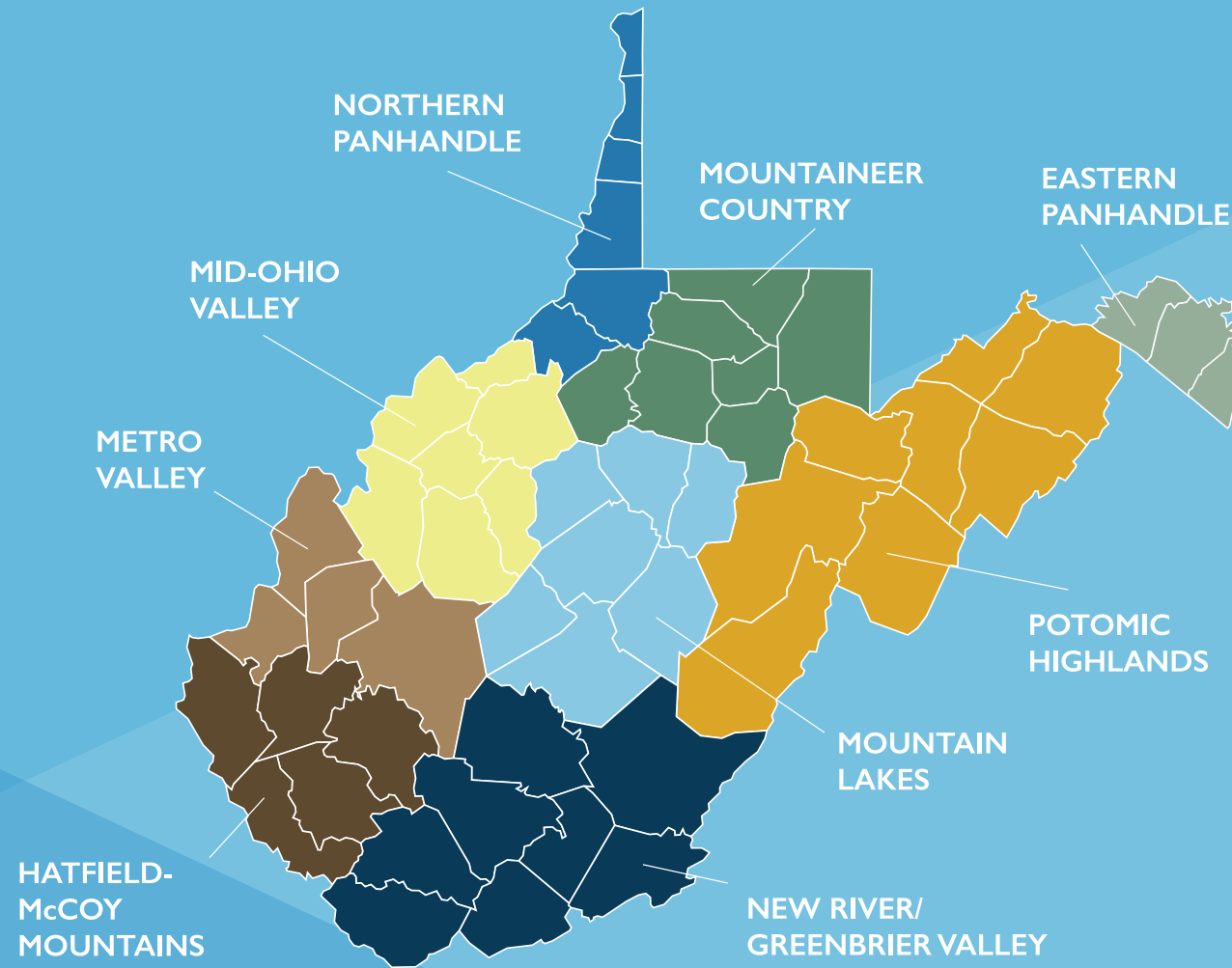
**\$700**

Amount per year each  
household in West Virginia  
would have to pay in state and  
local taxes without this revenue

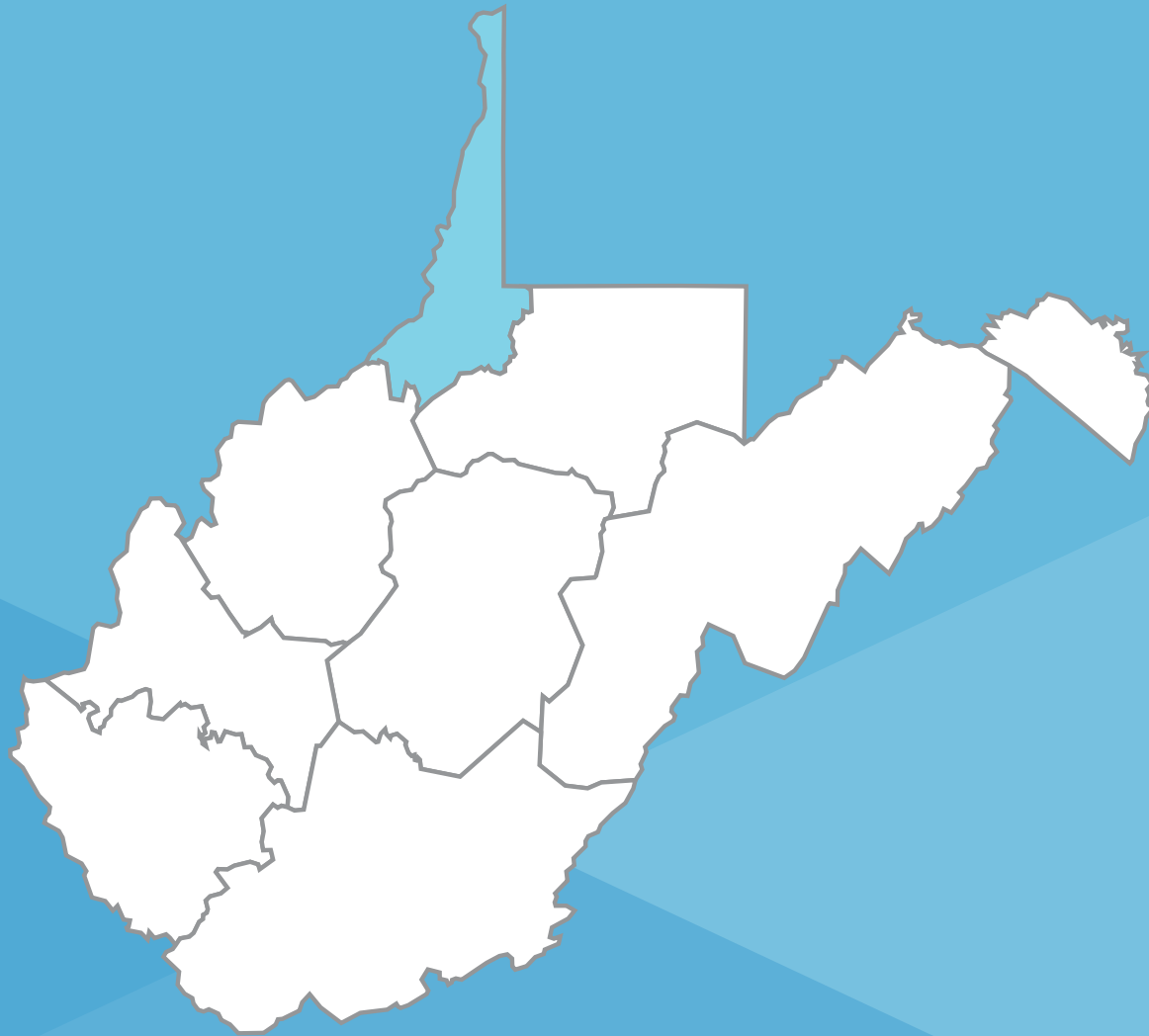
# **REGIONAL IMPACTS**

Direct Spending, Employment, and Revenues

# 2016 REGIONAL IMPACTS



# NORTHERN PANHANDLE REGION



Direct Spending  
**\$667 Million**



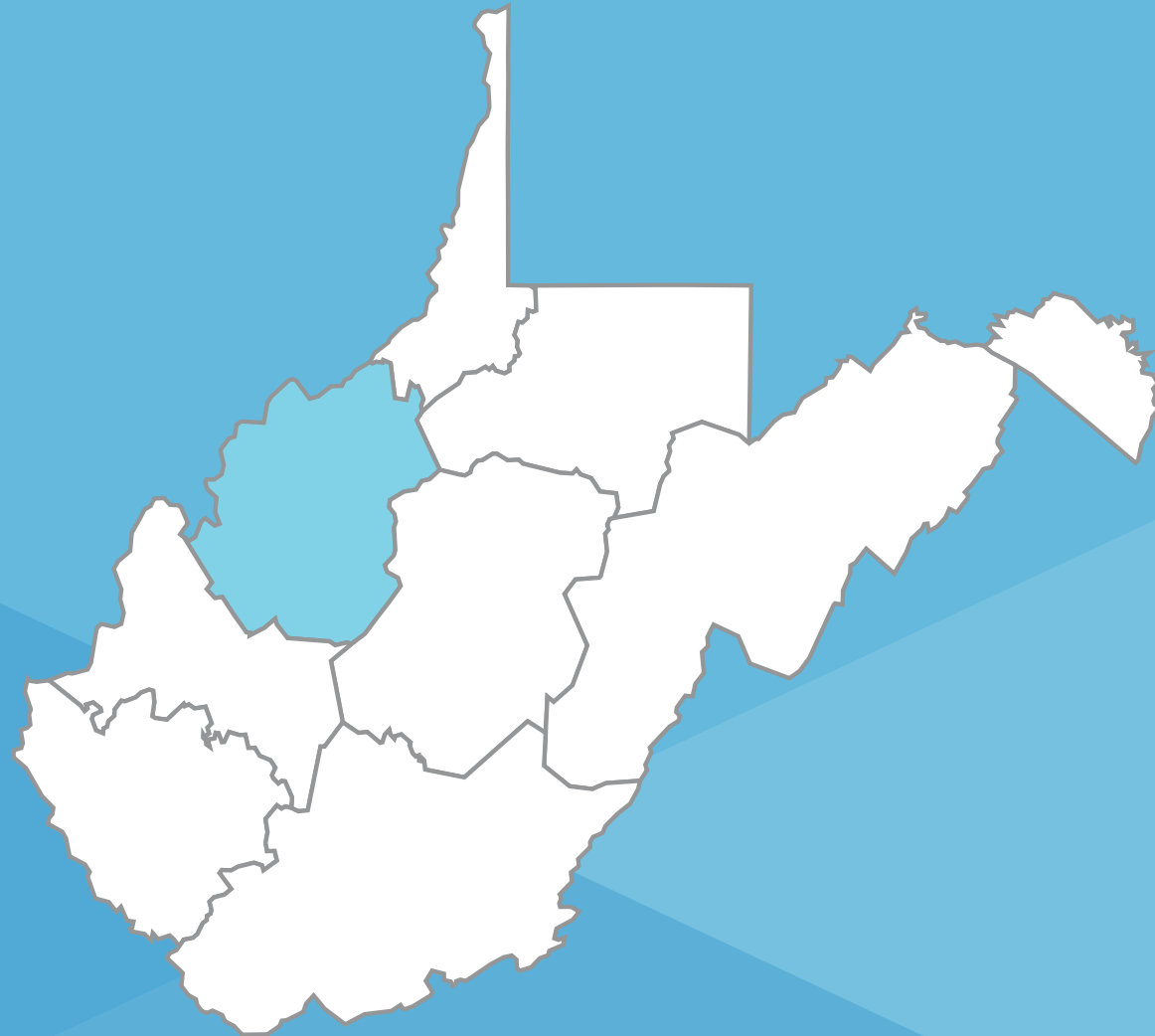
Travel-Generated  
Employment  
**7,800 Jobs**



Travel-Generated  
Tax Revenues  
**\$120 Million**



# MID-OHIO VALLEY REGION



Direct Spending  
**\$173 Million**

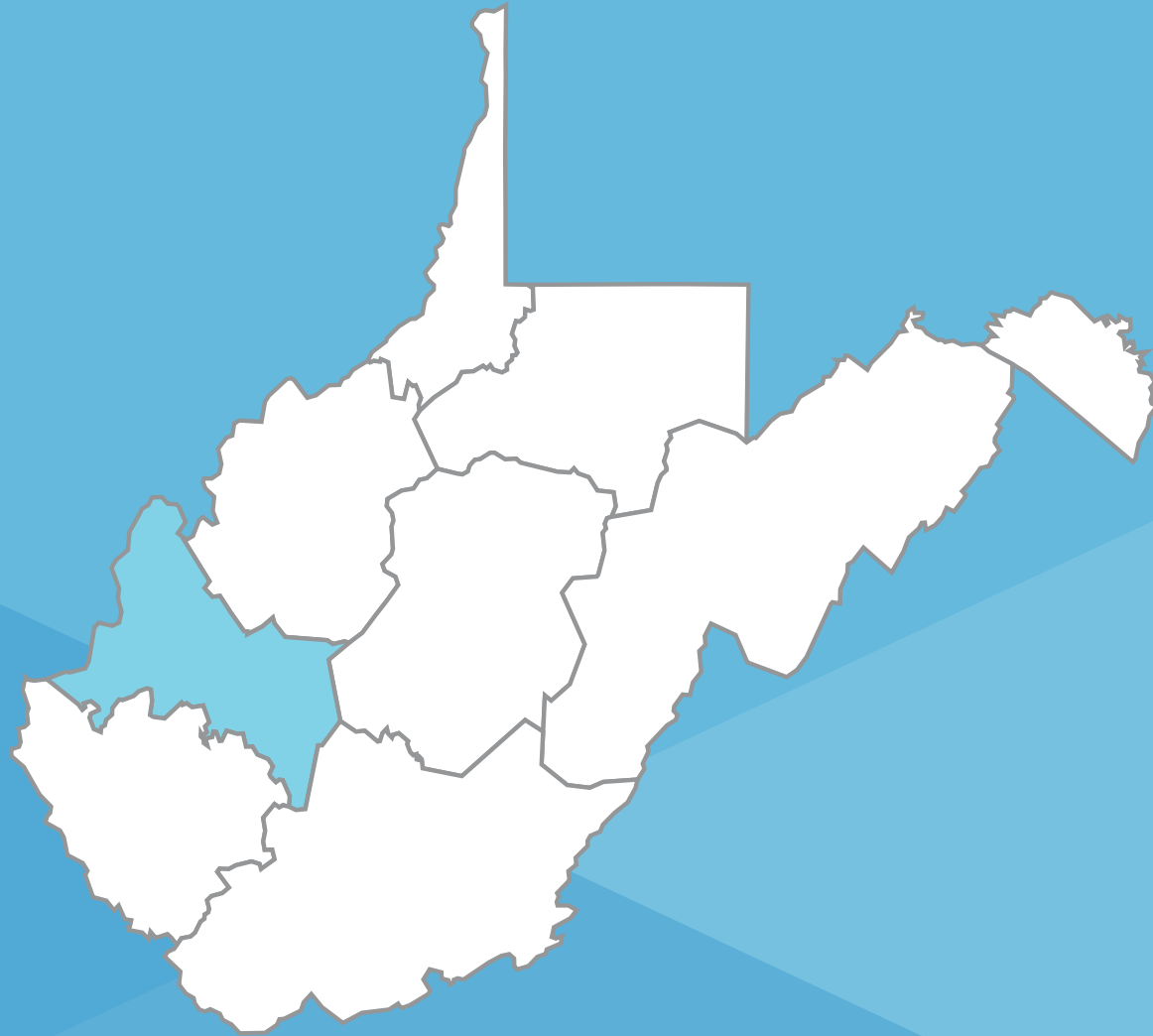


Travel-Generated  
Employment  
**1,900 Jobs**



Travel-Generated  
Tax Revenues  
**\$14 Million**

# METRO VALLEY REGION



Direct Spending  
**\$759 Million**

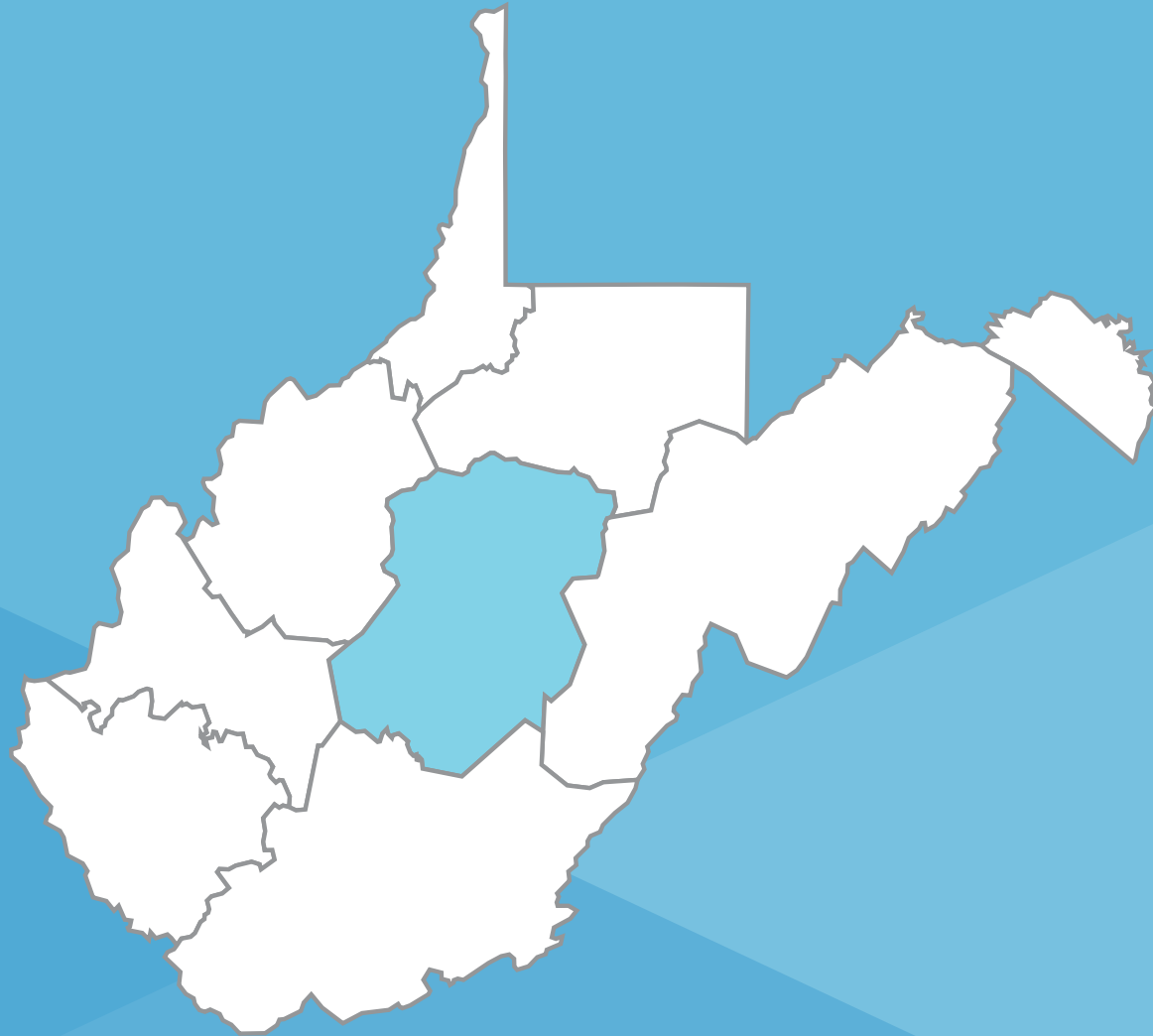


Travel-Generated  
Employment  
**7,100 Jobs**



Travel-Generated  
Tax Revenues  
**\$67 Million**

# MOUNTAIN LAKES REGION



Direct Spending  
**\$174 Million**

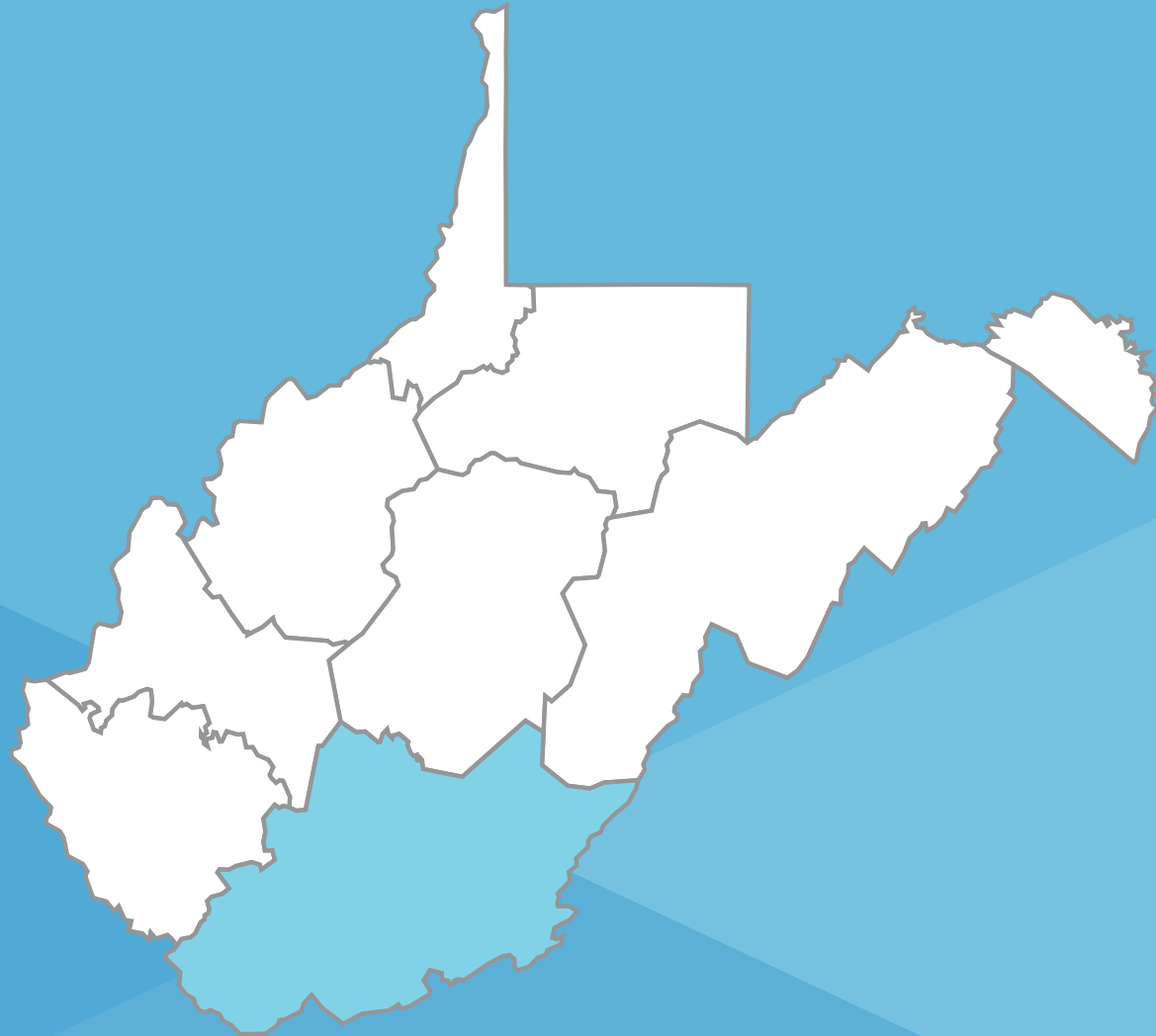


Travel-Generated  
Employment  
**2,000 Jobs**



Travel-Generated  
Tax Revenues  
**\$14 Million**

# NEW RIVER/GREENBRIER VALLEY REGION



Direct Spending  
**\$586 Million**

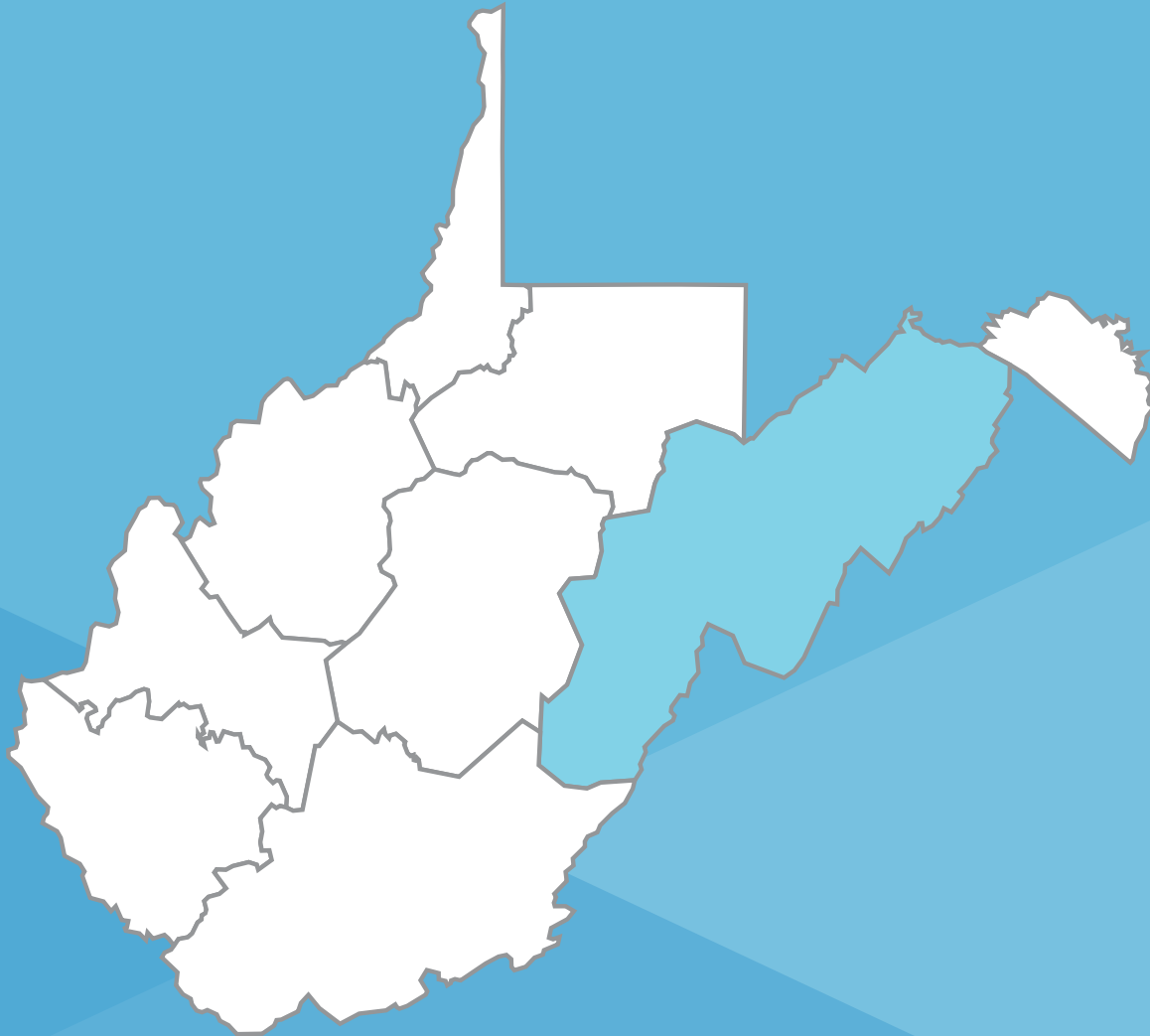


Travel-Generated  
Employment  
**6,700 Jobs**



Travel-Generated  
Tax Revenues  
**\$50 Million**

# POTOMAC HIGHLANDS REGION



Direct Spending  
**\$274 Million**

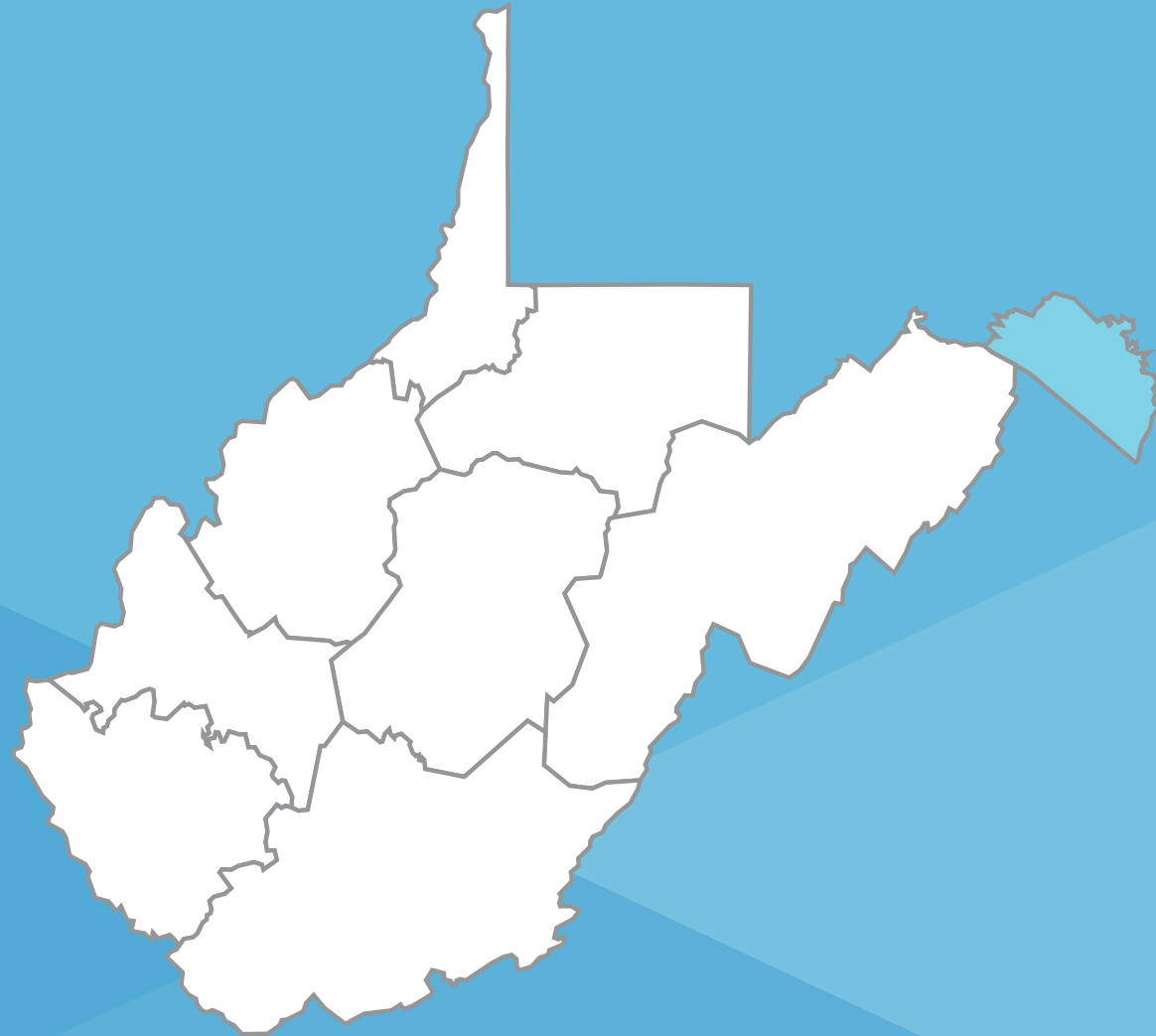


Travel-Generated  
Employment  
**3,900 Jobs**



Travel-Generated  
Tax Revenues  
**\$22 Million**

# EASTERN PANHANDLE REGION



Direct Spending  
**\$942 Million**

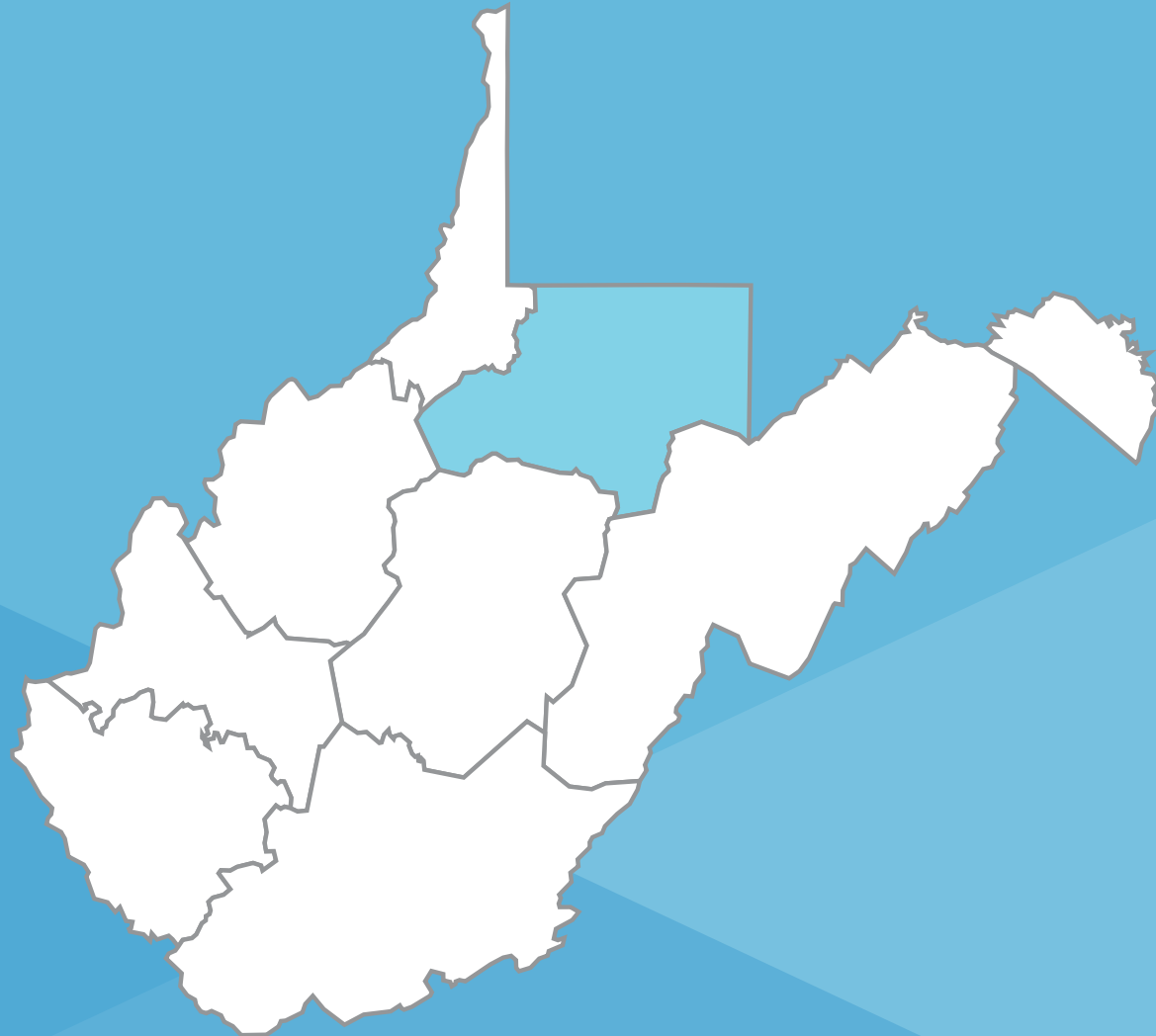


Travel-Generated  
Employment  
**8,900 Jobs**



Travel-Generated  
Tax Revenues  
**\$194 Million**

# MOUNTAINEER COUNTRY REGION



Direct Spending  
**\$418 Million**

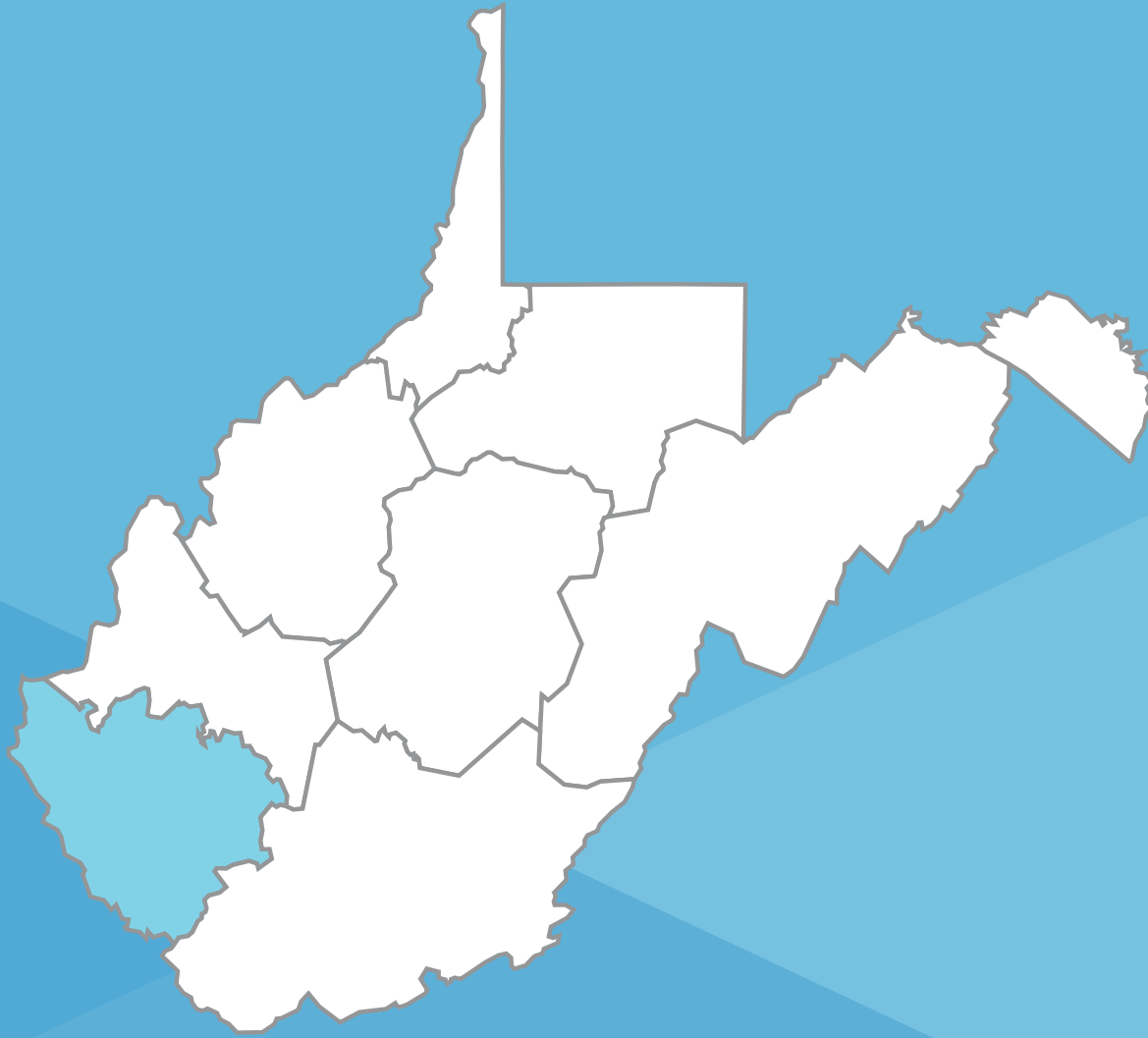


Travel-Generated  
Employment  
**5,300 Jobs**



Travel-Generated  
Tax Revenues  
**\$35 Million**

# HATFIELD-MCCOY MOUNTAINS REGION



Direct Spending  
**\$148 Million**



Travel-Generated  
Employment  
**1,200 Jobs**



Travel-Generated  
Tax Revenues  
**\$11 Million**



# WHAT DOES IT MEAN?

Putting the data to work for us

# WHAT DO THESE NUMBERS TELL US?

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- We took our biggest losses in gaming and gas
- Remove those and there's still a net loss.
- West Virginia is the only state to measure a decline in economic impact

# WHAT DO THESE NUMBERS TELL US?

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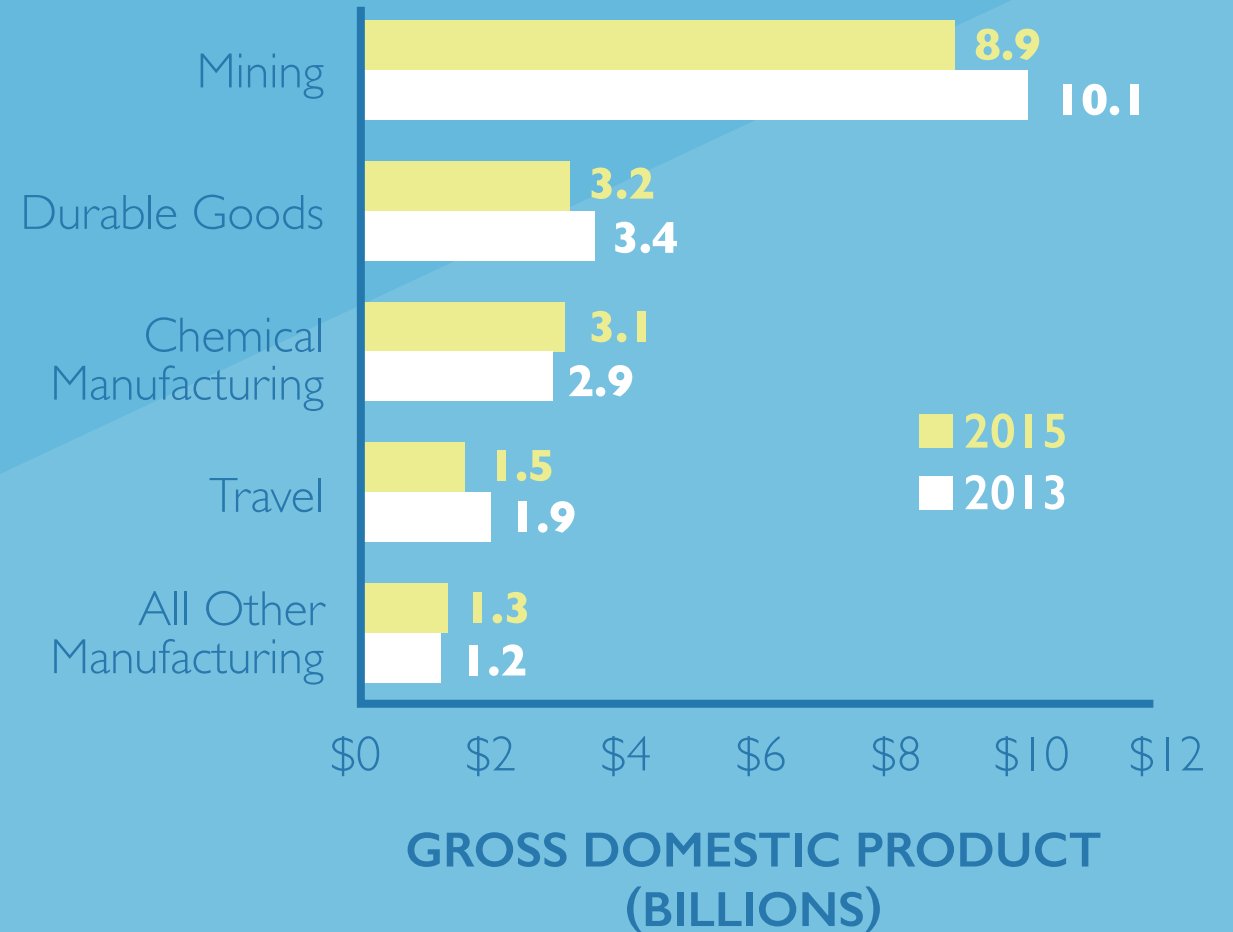
- Certain regions saw growth
- We are well positioned for growth

# GDP INFORMATION

West Virginia Travel Industry GDP  
**2% of Total State GDP**

By Comparison:  
U.S. Travel Industry  
share of GDP was 2.7%

## WV GROSS DOMESTIC PRODUCT, 2013 & 2015 Selected Export-Orientated Industries



Source: Dean Runyan Associates and Bureau of Economic Analysis.

# BIG THREE NUMBERS



Direct Spending  
**\$4.1 Billion**



Employment  
**44,900 Jobs**



Tax Revenues  
**\$527 Million**