

# Tourism Talking Points

## Tourism promotion is not an expense, it is an investment

- Every dollar spent promoting tourism brings revenue back to the state. The most recent economic impact studies show that for every \$1 spent on tourism New Hampshire gets \$9 back in revenue. <sup>1</sup>

## Tourism is vital to our economic health

- The overall economic impact of tourism in New Hampshire is estimated to be \$9 billion. <sup>1</sup>
- Direct and indirect spending equal nearly 8% of the gross state product. <sup>1</sup>
- More than 68,000 jobs are directly tied to tourism & over 84,000 jobs depend on tourism. As a total employer, the travel and tourism industry (10.6% of total jobs) ranks second behind retail trade, and ahead of health services and business services. <sup>1</sup>
- Tourism has proven to be one of the most stable sectors in our state economy, growing at a consistent rate despite economic cycles, and helping to offset the volatility of other industries.

## Tourism plays a key role in reaching revenue targets

- Rooms and meals tax revenue was \$160 million in FY '01 making it an important source of revenue for the state. <sup>1</sup>
- Over 15% of those revenues flow back to local communities, representing \$25 million that was returned to cities and towns in FY '01. <sup>1</sup>

## The Division of Travel & Tourism Development has a proven track record of success

- The state's promotional efforts have produced \$9 in revenue for every dollar spent on promotion. <sup>1</sup>
- Per-person per-day spending was \$68.55 in FY01, which is a 13.5% increase from FY98. <sup>1</sup>
- Since 1998, the number of hits on the state web site have increased more than 300%. From FY '01 to FY '02 alone, web visits increased 44%. <sup>2</sup>
- Conversion studies show that 62% of inquiries were converted into actual visits in 2002 and 51% said that advertising and promotional materials influenced their decision to visit. <sup>2</sup>

## We need to protect our market share

- 40 of the 50 states spend more on tourism promotion than New Hampshire. <sup>3</sup>
- A number of states dedicated significant additional dollars to tourism promotion in the wake of 9/11 (some examples include: Florida - \$20 million in addition to \$9 million provided by the state lottery, The City of Philadelphia - \$3 million Pennsylvania - \$5.5 million in state matching grants given to regional tourism marketing groups, Mexico- increased their budget by 35%, South Carolina - \$2 million, Hawaii - an additional \$15 million between Dec. and March alone). <sup>4</sup>
- The drop in business and international travel means more destinations will be directing their promotion at our markets.

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<sup>1</sup> Institute of New Hampshire Studies - Travel Economics Report

<sup>2</sup> Institute of New Hampshire Studies - Website Conversion Study

<sup>3</sup> Travel Industry of America

<sup>4</sup> Travel Advance Daily Update