The Impact of Tourism on the Charleston Economy: the Last Five Years and Beyond

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Generous support from
the Charleston Area Convention and Visitors Bureau
Estimating tourism impact is tricky...
The Story of Blind Men and An Elephant
Two Types of Indicators

We need to understand our visitors first...

• Behavioral indicators: traffic
• Financial indicators: occupancy, tax $ and revenue
Average Spending Per Overnight Visitor Per Day, 09

**Total $168 per person per day local spending**

- **Accommodation, $71**
- **Dining, $38**
- **Shopping, $20**
- **Attractions, $17**
- **Local Transportations, $13**
- **Other, $7**

**Average Spending Per Overnight Visitor Per Day:**

- **Accommodation:** $71
- **Dining:** $38
- **Shopping:** $20
- **Attractions:** $17
- **Local Transportations:** $13
- **Other:** $7

Total: $168 per person per day local spending
## Purpose of Trip, 07 versus 09

<table>
<thead>
<tr>
<th>Purpose of Trip</th>
<th>2007</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacation</td>
<td>64%</td>
<td>83%</td>
</tr>
<tr>
<td>VFR</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>Business</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>Attending a Conference or Meeting</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

7% of drop in local spending from 07

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Visitor Center Traffic and Website Traffic, 05-09

-7.5% 08-09

+20% 08-09

<table>
<thead>
<tr>
<th>Year</th>
<th>Charleston Visitor Center Traffic</th>
<th>CVB Website Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>972,372</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>1,005,905</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>1,029,399</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>900,511</td>
<td>937,854</td>
</tr>
<tr>
<td>2009</td>
<td>1,123,653</td>
<td>832,909</td>
</tr>
</tbody>
</table>

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Attraction Attendance and Airport Traffic, 05-09

-6% 08-09

+2% 08-09

7% of business/conferences travel in 09; 49% of business through air.

1,711,030 1,690,060 1,694,875 1,514,129 1,543,429
1,069,668 934,326 1,134,180 1,163,438 1,093,646

Charleston Area Attraction Attendance
Airport Traffic

2005 2006 2007 2008 2009

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Admission Tax Collected, 05-09

+2.6% 08-09

<table>
<thead>
<tr>
<th>Year</th>
<th>Admission Tax Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$4,569,542</td>
</tr>
<tr>
<td>2006</td>
<td>$5,158,407</td>
</tr>
<tr>
<td>2007</td>
<td>$5,001,921</td>
</tr>
<tr>
<td>2008</td>
<td>$5,436,271</td>
</tr>
<tr>
<td>2009</td>
<td>$5,577,385</td>
</tr>
</tbody>
</table>
Growth of Hotel/Motel Inventory, 05-09

- Peninsula: 5,055, 5,496, 5,902, 6,620, 6,743
- West Ashley: 3,382, 3,382, 3,382, 3,381, 3,368
- North Charleston: 1,578, 1,578, 1,708, 1,937, 2,026
- Mt. Pleasant: 1,500, 1,577, 1,577, 1,498, 1,597

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Total Lodging Sales 05-09

-12%, 08-09
Occupancy and ADR in Charleston County, 05-09

07-08
-7% in Occupancy
+1% in ADR

08-09
-3% in occupancy
-14% in ADR
Annual Numbers of Visitors, 05-09 (millions)

2005: 4.06
2006: 4.21
2007: 4.33
2008: 4.12
2009: 3.93

-4.6%
Tourism Impact Estimates, 09

Annual Number of Visitors: 3.93 Million
Total Economic Impact: 2.80 Billion
Revenue per Available Room: $27K
Percentage of Sales Attributable to Tourism: 11%;
Charleston county: 15%
The Future
The Future

Charleston CVB Website Traffic, 07-Now

The graph shows the traffic on the Charleston CVB website from June 2007 to March 2010. The website traffic varied significantly over this period, with peaks and troughs in traffic throughout the years. The data suggests a general trend of increasing traffic, particularly noticeable from 2008 onwards.
Final Words

- Plenty of reasons to be optimistic! Suppressed demand from 09, cruise ships, and Boeing factory;
- It can only go up from here!
- Collaborative destination marketing is more crucial than ever;
- Rejuvenize your product offering;
- Be aware of changing behavioral and spending patterns and offer value for the money.
Data Sources

- Office of Tourism Analysis
- Chamber of Commerce
- Smith Travel Research
- South Carolina Department of Park, Recreation, & Tourism
- South Carolina Department of Revenue
Acknowledgements

The Charleston Area Convention and Visitors Bureau
Thank You

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