

Securing Tourism's Place at the Local Economic Development Table

Steve Morse, Ph.D.

**Director & Economist
Tourism Institute**

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THE UNIVERSITY of TENNESSEE



Tourism Institute
Hotel, Restaurant and Tourism Management
Knoxville, Tennessee

First, Welcome to...

- Tourism professionals from Tennessee
- Faculty from the University of Tennessee
Dr. Carol Costello; Dr. Rachel Chen
Dr. John Antun; Dean Aaser
- 60 students from the University of Tennessee's Hotel, Restaurant & Tourism program



Selling Tourism Outside & Inside Your County or Area

- Most tourism resources are used to market to potential visitors outside your area... and TN does a great job!
- Not many resources are available to market tourism's economic benefits to stakeholders inside your county or area

Top 5 Strategies for Your Tourism Organization to Secure a Seat at the Local Economic Development Table

- 1) Speak the Language:** of economic developers, Chambers of Commerce, city & county commissions
- 2) Collect Data:** use creditable & verifiable economic data to tell your success story
- 3) Build Industry Support:** share data with local hotel, restaurant, travel, tourism & local attractions industry

Top 5 Strategies for Your Tourism Industry to Secure a Seat at the Local Economic Development Table

- 4) Tell your story:** brag on tourism's economic value to your county or area
- 5) Use State Data Resources:** tourism economic reports from TN Dept. of Tourist Development & UT Tourism Institute

1) Speak the language of economic development

Football Language

- Three touchdowns
- Two extra points
- Four field goals
- 187 yards rushing
- 206 yards passing
- One interception
- Five first downs

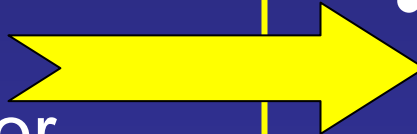
Football Scoreboard Language

32 points

1) Speak the language of economic development

Tourism Language

- Number of visitors
- Number of events
- Number of days in event or festival
- Number & size of groups
- Number in visitor party



Tourism Econ Dev. Scoreboard Language

- Jobs created
- Taxes generated
- Worker income generated
- Visitor spending at hotels, restaurants, travel, entertainment

2) Collect Data: use creditable & verifiable economic data to tell your success story

- You must have credible & verifiable data sources to speak the econ development language – Don't use data you can't verify
- Always show the source or methods of collecting your data
- Gold Standard: data source must be able to be reproduced, found, & verified by others

3) Build Industry Support: share data with local hotel, restaurant, travel, tourism & attractions industry

- Private sector businesses can be your champion & help secure a seat at the economic development table
- City & county officials listen to the private sector

4) Tell your story: brag on tourism's economic value to your county or area

- Present economic data to your local:
 - Chamber of Commerce
 - City & County commission meetings
 - Industry associations, legislative officials
 - Business & community leaders
 - Econ development & civic groups
- Write your own story for the local press at least four times per year

5) Use State Tourism Data Resources

- **TN Dept. of Tourist Development**
 - Economic Impact of Travel on TN Counties, 2006 (all 95 TN Counties)
- **Tourism Institute, University of Tennessee**
 - 1) TN County Reports: Hotel, Restaurant, & Travel Industries Economic Profile & Business Trends, 2006 (top 41 TN tourism counties)
 - 2) 2006 Tourism Economic Fact Sheet (all 95 TN counties)

Introducing 2 New TN County Tourism Reports from UT Tourism Institute

- 1) Hotel, Restaurant, & Travel Industries:
Economic Profile & Business Trends,
2006 (9-18 page county report)
- 2) 2006 TN County Tourism Economic
Fact Sheet (1 page fact sheet)

Hotel, Restaurant, & Travel Industries: Economic Profile & Business Trends, 2006

- Ranking of hospitality & tourism employment against other industries in your county
- First ever ranking of hospitality & tourism against other industries in your county

Blount Co. Rank of Industries by Percent Employment, 2006

1. Trade, Transportation, Utilities	24.8%
2. Manufacturing	22.4%
3. Hotel, Restaurant, & Travel	11.7%
4. Education & Health Services	10.1%
5. Construction	9.9%
6. Professional & Bus. Services	9.3%
7. Financial Activities	7.3%
8. Other Services	2.9%

Blount Co. Hospitality & Tourism Generates **4,132** Jobs Including...

- **2,938** jobs in restaurants
- **565** jobs in hotels & lodging
- **356** jobs in arts, entertainment & recreation
- **273** jobs in transportation & travel

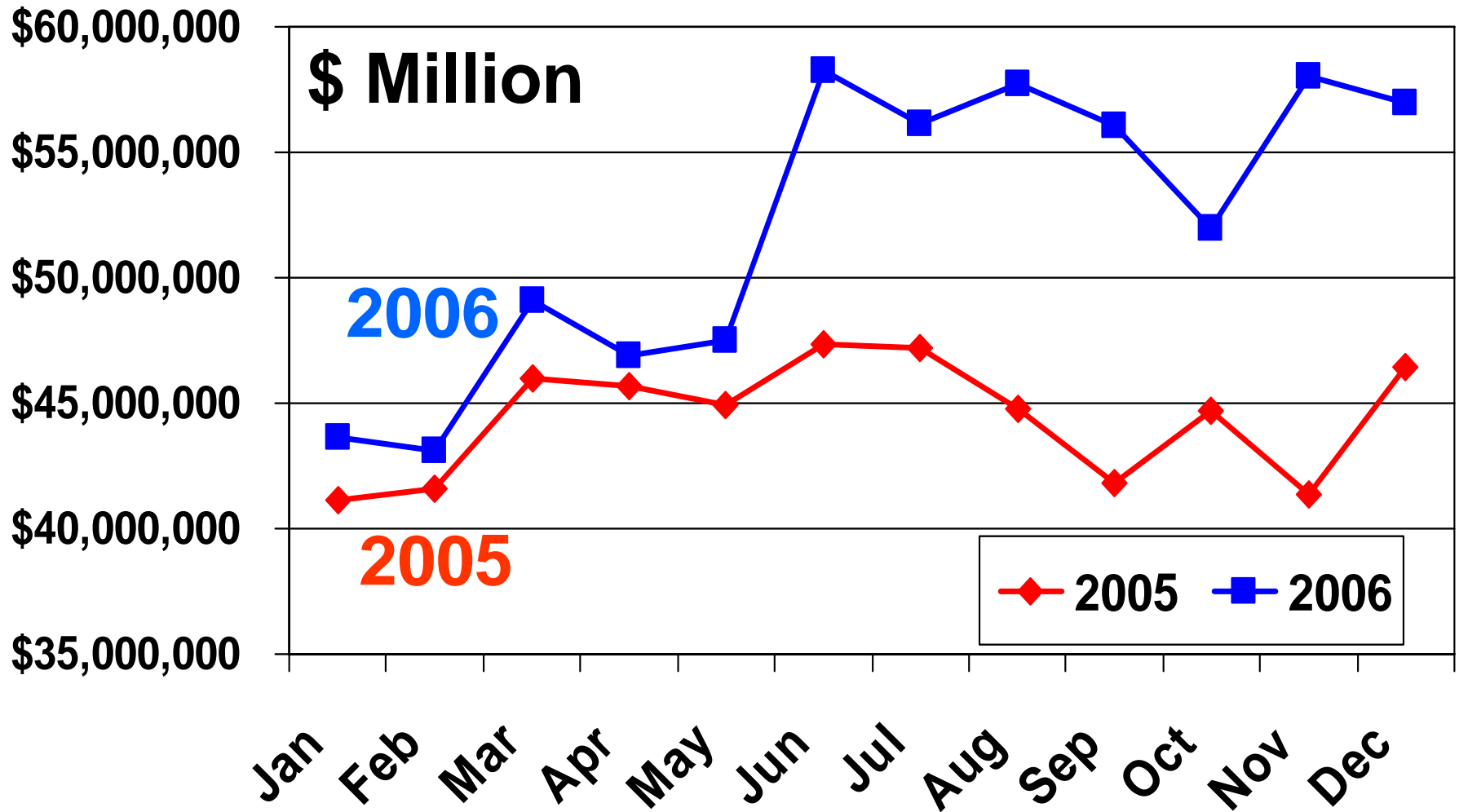
Hotel & Lodging Industry County Employment, Tax & Sales Data

- In-depth report of your county's **hotel industry**
 - Gross sales of hotels by month
 - Employment by quarter
 - Number of hotels by quarter
 - Tax revenues from hotels by year

Restaurant Industry County Employment, Tax & Sales Data

- In-depth report of your county
restaurant industry
 - Gross sales of restaurants by month
 - Employment by quarter
 - Number of restaurants by quarter
 - Tax revenues from restaurants by year

Restaurant Gross Sales, Hamilton Co. (Chattanooga), 2005 - 2006



Source: TN Dept. of Revenue, and Tourism Institute, University of Tennessee

Restaurant Industry County Employment & No. Firms

- Full-service restaurants
- Limited-service restaurants
- Caterers & special food service
- Drinking places (alcohol beverages)

Arts, Entertainment & Recreation Industry County Employment, Tax & Sales Data

- In-depth report of your county **arts, entertainment & recreation industry**
 - Gross sales of firms by month
 - Employment by quarter
 - Number of firms by quarter
 - Tax revenues from firms by year

Blount Co. Hospitality & Tourism Generated **\$5.94 million** in Local Blount Co. taxes from...

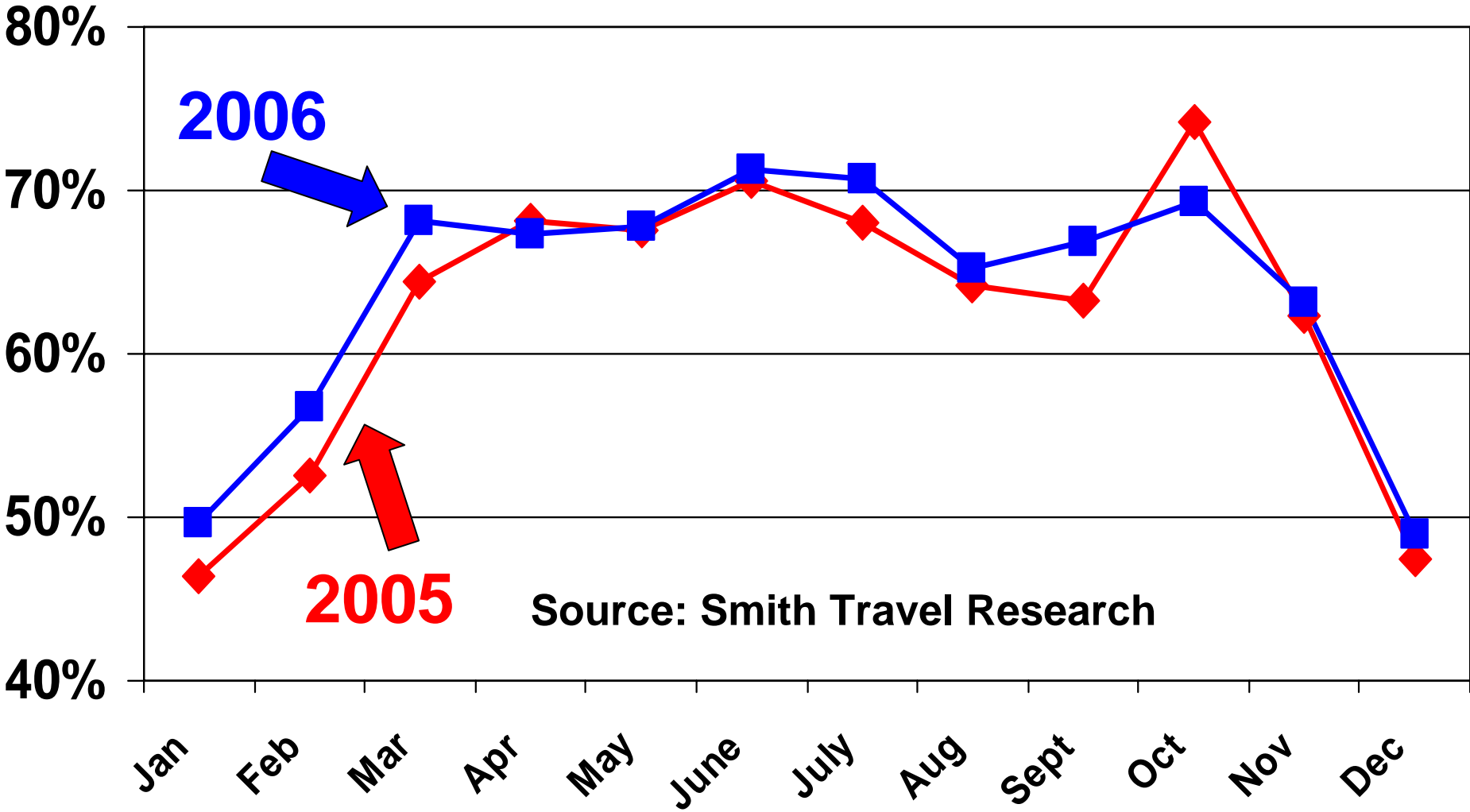
- Restaurant sales taxes **\$3.01 million**
(2.25%)
- Hotel Occupancy Taxes **\$1.75 million**
(4.0%)
- Hotel sales taxes **\$0.987 million**
(2.25%)
- Arts, Entertainment &
Rec sales taxes **\$ 0.202 million**
(2.25%)

Hotel Performance Statistics

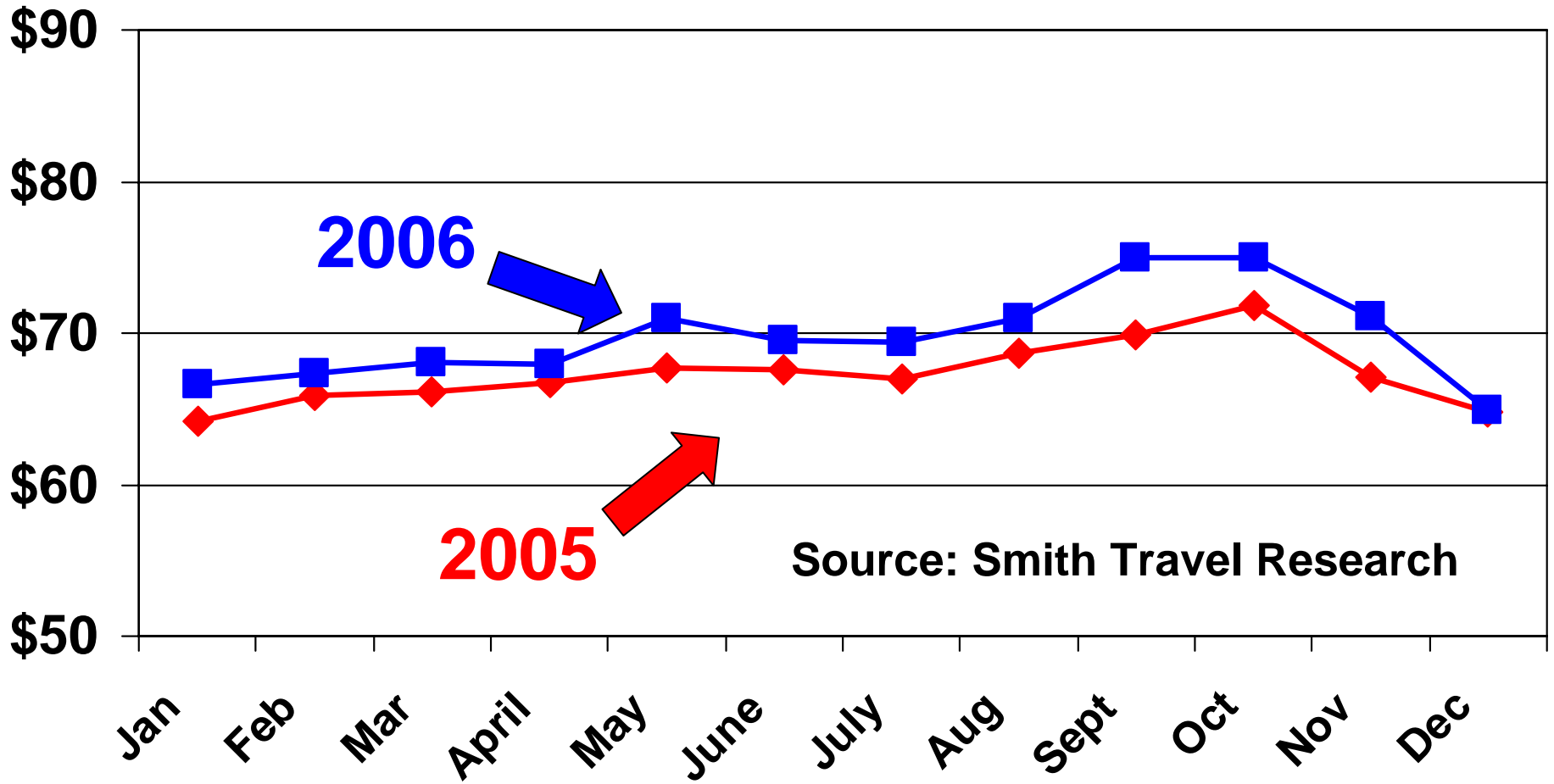
- Occupancy Rates by month
- Avg. Daily Rate (ADR) by month
- Revenue per Available Room (RevPAR) by month

**Thanks to Smith Travel Research,
Hendersonville, TN**

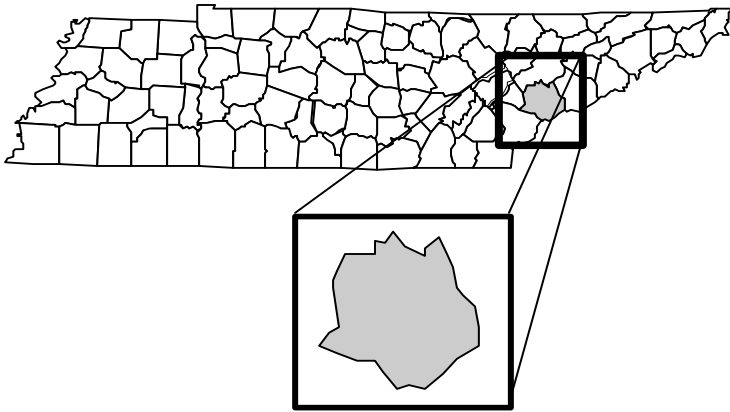
Occupancy Rates for Blount Co. Hotels, 2005 – 2006



Average Daily Rates (ADR) for Blount Co. Hotels, 2005 - 2006



Source: Smith Travel Research



Blount County
(Alcoa, Maryville,
Rockford, Seymour,
Townsend areas)

Blount County, TN

Hotel, Restaurant, and Travel Industries: Economic Profile and Business Trends, 2006

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University of Tennessee—Knoxville

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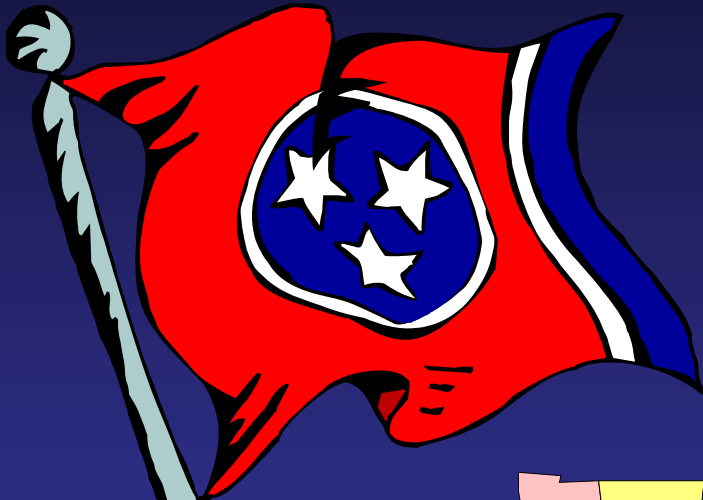
County Profiles Available Today at University of Tennessee Booth in EXPO area

Anderson Co.
Blount Co.
Bradley Co.
Campbell Co.
Carter Co.
Cheatham Co.
Coffee Co.
Cumberland Co.
Davidson Co.
Dickson Co.
Dyer Co.
Grainger Co.
Hamblen Co.

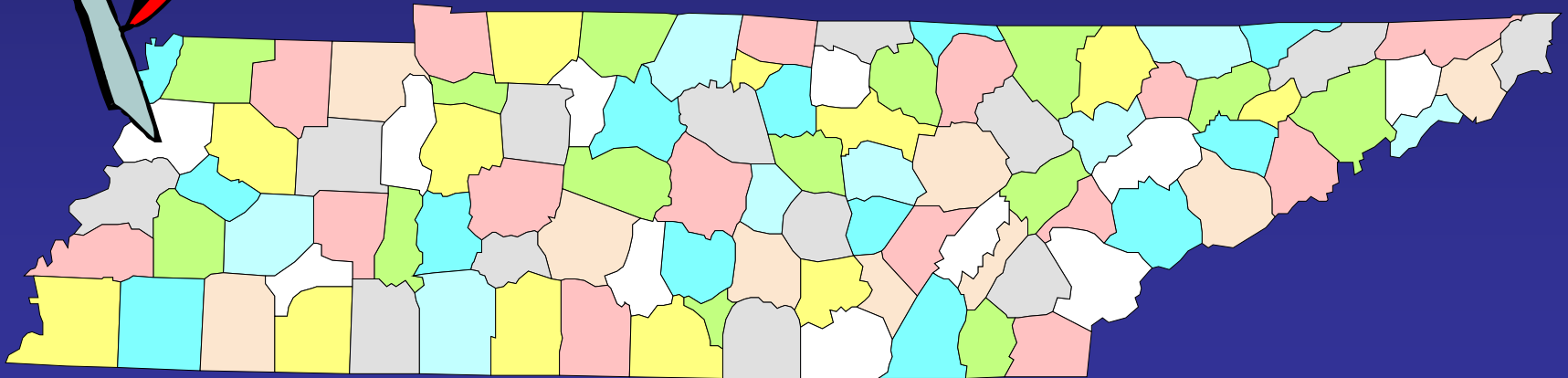
Houston Co.
Humphreys Co.
Jefferson Co.
Knox Co.
Loudon Co.
McMinn Co.
Madison Co.
Maury Co.
Monroe Co.
Montgomery Co.
Obion Co.
Polk Co.
Putnam Co.

Roane Co.
Robertson Co.
Rutherford Co.
Sevier Co.
Shelby Co.
Stewart Co.
Sullivan Co.
Sumner Co.
Trousdale Co.
Union Co.
Washington Co.
Williamson Co.
Wilson Co.

Introducing Our New 2006 County Tourism Economic Fact Sheet



- One-page tourism economic fact sheet for all 95 counties in Tennessee



On an Average Day in Blount Co., tourists spend **\$628,849** in these type businesses...

- Spend **\$201,231** daily in restaurants
- Spend **\$181,108** daily on transportation
- Spend **\$107,533** daily on hotels & lodging
- Spend **\$71,059** daily in retail stores
- Spend **\$67,918** daily on arts,
entertainment & recreation

Also, On an Average Day in Blount Co., tourist spending...

- Generates daily employee paychecks worth **\$181,041**
- Generates daily TN State taxes worth **\$35,042**
- Generates daily local Blount County taxes worth **\$21,506**

2006 Tourism Tax Impacts on Blount Co. Households

- As a result of taxes generated by tourists activity in Blount Co.
- Each household in Blount Co.,....
 - Pays **\$447 less** in local & state taxes
 - Pays **\$277 less** in state taxes
 - Pays **\$170 less** in local county taxes

Tourism & Children: Secret Economic Development Weapon

Q: How much of your local county school system's education budget is generated by Tourism Taxes?

A: We did this research, for each county in Tennessee

(in your county's Tourism Economic Fact Sheet)

Tourism Taxes & Children: Education Funding in Blount Co.

- Tourism activity in Blount Co. generated \$8.63 million in local Blount Co. taxes...
- Which is enough tax revenue to contribute **18.1% of the local portion** of the Blount Co. school system's education budget

All our reports use & cite credible & verifiable data sources

- 1) TN Dept. of Revenue
- 2) TN Dept. of Labor & Workforce Dev.
- 3) U.S. Dept. of Labor; Bureau Labor Statistics
- 4) TN Dept. of Education
- 5) TN Dept. of Tourist Development
- 6) Tourism Institute, University of Tennessee
- 7) Smith Travel Research

You have the tools to secure your tourism organization's place at the local economic development table

- 1) Speak the language of econ dev.**
- 2) Collect creditable & verifiable data**
- 3) Build industry support for tourism**
- 4) Tell your success story**
- 5) Use tourism reports from TN Dept. of Tourist Dev. & UT Tourism Institute**

How do you get your County Reports from the Tourism Institute at UT?

- Download & print in PDF format from the Tourism Institute web site at:

www.utk.edu/tourism

(available October 10)

Thank You, and...

- Be proud of your tourism industry and take steps to securing your place at your local economic development table

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