The Economic Significance of Smoky Mountain Winterfest on Pigeon Forge, Tennessee 1990 – 2007

Steve Morse, Ph.D.
Director
The University of Tennessee
Tourism Institute

Chad D. Church
Graduate Research Assistant
The University of Tennessee
Tourism Institute

Department of Retail, Hospitality & Tourism Management
WinterFest Presentation Outline

I. Origin and history
II. Study objectives
III. Methodology
IV. Data presentation
V. Discussion
   – Questions & Comments
I. Origin and History of WinterFest

Leon Downey
Executive Director of the Pigeon Forge Department of Tourism
II. Objectives of this Study

- Examine the economic significance of the WinterFest festival over an 18-year period
- Report on selected economic indicators in Pigeon Forge, TN and Sevier County, TN
  - Unemployment trends
  - Gross business revenues
  - Hotel occupancy percentage
III. Methodology

• Economic data were collected from four sources:
  – Tenn. Dept. of Labor and Workforce Dev.
  – Tenn. Dept. of Revenue
  – City of Pigeon Forge
  – US Census Bureau

• Spending and tax revenues were adjusted for inflation using United States CPI into constant 2006 dollars
IV. Data Presentation

1. Significance of Hospitality and Tourism Industry in Sevier County
2. Sevier County, TN Unemployment Rates
3. Pigeon Forge Hotel & Lodging Revenues
   – Adjusted for inflation
4. Pigeon Forge Hotel Occupancy Rates
5. Pigeon Forge Attractions Revenues
   – Adjusted for inflation
### Sevier County, TN

**Ranking of Hotel, Restaurant & Travel Industries by Employment Relative to Other Industries, 2005**

<table>
<thead>
<tr>
<th>County Industry Rank</th>
<th>Industry</th>
<th>Sevier County</th>
<th>Tennessee Statewide</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hotel, Restaurant, and Travel</td>
<td>45.52%</td>
<td>10.78%</td>
</tr>
<tr>
<td>2</td>
<td>Trade, Transportation, and Utilities</td>
<td>24.95%</td>
<td>24.44%</td>
</tr>
<tr>
<td>3</td>
<td>Construction</td>
<td>5.96%</td>
<td>5.00%</td>
</tr>
<tr>
<td>4</td>
<td>Professional and Business Services</td>
<td>5.74%</td>
<td>12.15%</td>
</tr>
<tr>
<td>5</td>
<td>Financial Activities</td>
<td>5.47%</td>
<td>5.60%</td>
</tr>
<tr>
<td>6</td>
<td>Education and Health Services</td>
<td>5.10%</td>
<td>20.82%</td>
</tr>
<tr>
<td>7</td>
<td>Manufacturing</td>
<td>3.98%</td>
<td>16.00%</td>
</tr>
<tr>
<td>8</td>
<td>Other Services</td>
<td>2.08%</td>
<td>2.79%</td>
</tr>
<tr>
<td>9</td>
<td>Information</td>
<td>1.08%</td>
<td>1.96%</td>
</tr>
<tr>
<td>10</td>
<td>Natural Resources and Mining</td>
<td>0.10%</td>
<td>0.39%</td>
</tr>
<tr>
<td>11</td>
<td>Unclassified</td>
<td>NC</td>
<td>0.07%</td>
</tr>
</tbody>
</table>

Source: TN Dept. of Labor and Workforce Development; UT Tourism Institute
City of Pigeon Forge Hotel & Lodging
Sales Revenues, Adjusted for Inflation
November - February (1989-2007)

Winterfest
Started 1990

Recovery from 9/11

Source: City of Pigeon Forge, TN
Winterfest Generates Higher Pigeon Forge Occupancy Rates Over 18 Years, November – February, 1989-2007

Source: City of Pigeon Forge, TN
City of Pigeon Forge Attractions
Sales Revenues, Adjusted for Inflation
November - February (1989-2007)

Winterfest
Started 1990

Recovery from 9/11

Source: City of Pigeon Forge, TN
City of Pigeon Forge
Gross Business Receipts, Adjusted for Inflation
November-February (1989-2007)

Winterfest Started 1990

Recovery from 9/11

Source: City of Pigeon Forge, TN
WinterFest Generates Lower Sevier Co. Unemployment Rates, November - February (1990-2007)

Source: US Census Bureau
V. Discussion

• The hospitality and travel industries are critical to both the Sevier County and Pigeon Forge economy
  – Largest percentage of employment in county
• WinterFest was developed in an effort to boost winter tourism
• WinterFest has helped to generate higher revenues for Pigeon Forge businesses and reduce unemployment in Sevier County