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# THE VALUE OF TOURISM

## 2014

**Bringing in more people,  
Bringing in more revenue**

## Contribution to Delaware's GDP

- **\$3 billion in 2014**
- **5% of state GDP**

*GDP = Total market value of goods and services produced by the state's economy*

## Value of Tourism

- **8 million visitors**
  - 40,830 employees
  - 4th largest private employer
  - \$470 million in taxes/fees
- ***Without tourism, each DE household would pay an additional \$1360 in taxes***

## Tourism-Initiated Taxes by Tax Type

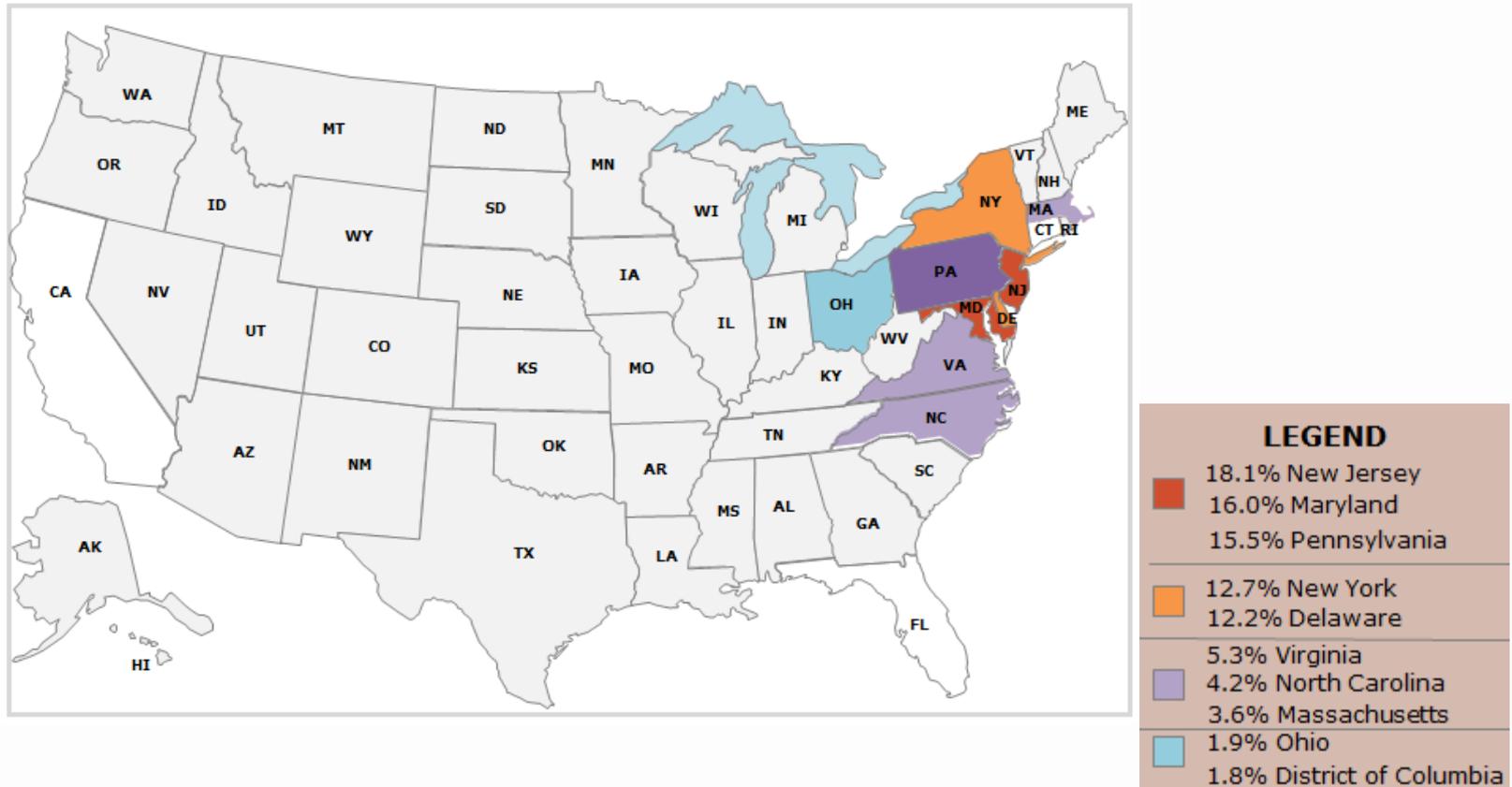
- In 2014, the largest sources of tourism-initiated S&L taxes include Corporate Franchise (\$123M), GRT (\$50M), Property (\$73M), & Gaming (\$67M)
- Declining visitor participation once again hurt lottery & gaming collections. 2014 receipts fell to an estimated \$66.5 million, down 5% from the year before
- Public Accommodations Tax collections were up markedly in 2014 (+11%) given strong occupancy and room rate growth plus some notable increases in supply in New Castle County

Tax Revenues from Tourism	2013 (Millions)	2014 (Millions)	'14/'13 %
<b>State and Local Taxes:</b>			
Corporate Profits Tax	\$18.5	\$19.4	4.8%
State Franchise, Partnership/LLC Tax	\$17.2	\$18.0	4.8%
Personal Income	\$29.5	\$30.9	4.8%
Sales Taxes (GRT)	\$48.3	\$50.2	3.9%
Other Business Taxes, Licenses & Fees	\$114.0	\$123.1	8.0%
Public Accommodation Tax	\$20.0	\$22.3	11.4%
Property Taxes	\$70.0	\$72.7	3.9%
Other Personal Licenses, Fines, & Fees	\$5.6	\$5.9	4.8%
Unemployment Insurance Tax	\$1.1	\$1.2	4.8%
Video Lottery & Gaming	\$69.9	\$66.5	-4.9%
Tolls	\$56.7	\$59.6	5.1%
<b>State and Local Total</b>	<b>\$450.7</b>	<b>\$469.8</b>	<b>4.2%</b>

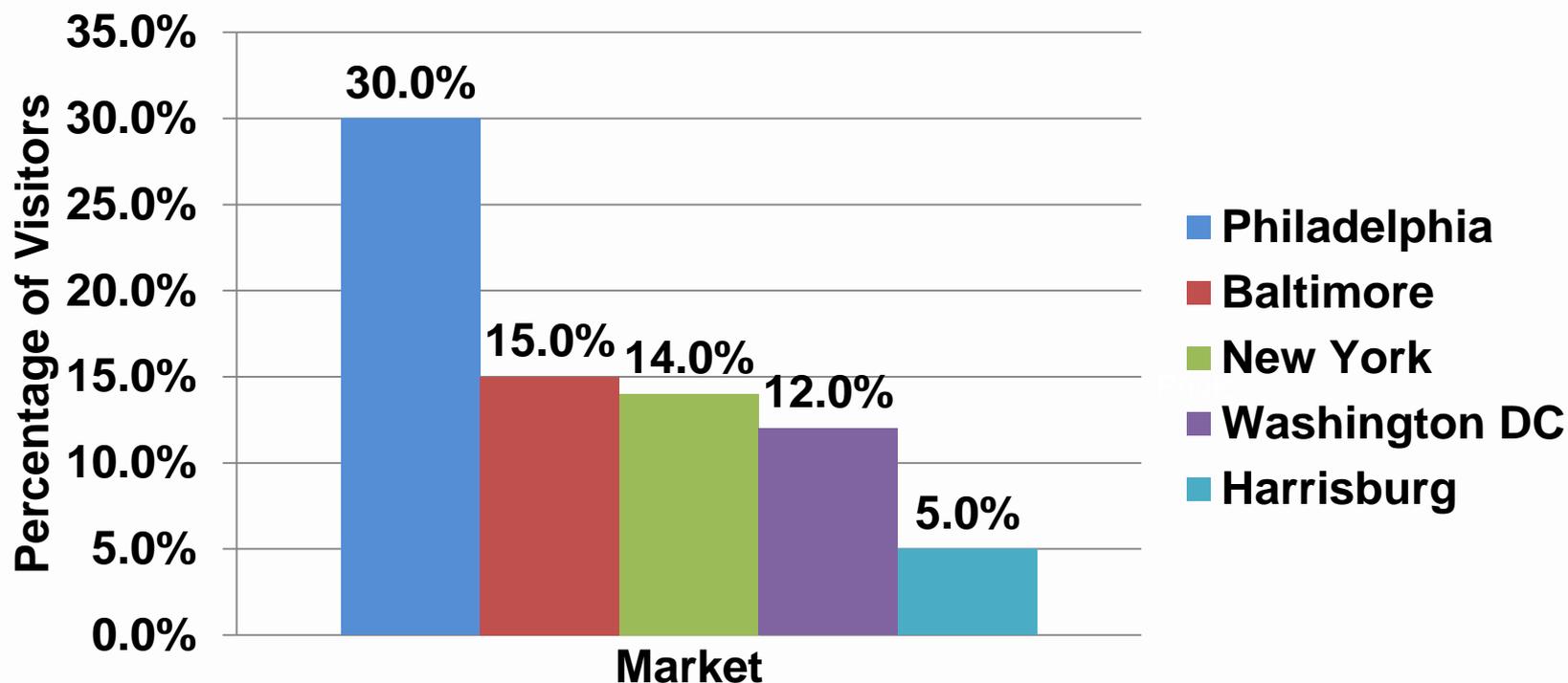
## Visitor Demographics

Delaware Visitor Demographics		
Category	Avg. to DE	Avg. across US
Age	52	48
Household Income	\$101,372	\$86,292
Average Party Size	2.10	2.08
Average trip length (nights)	2.46	2.11
Average Daily Spending (per person)	\$102	\$115

## Top States of Origin



## Top Markets of Origin

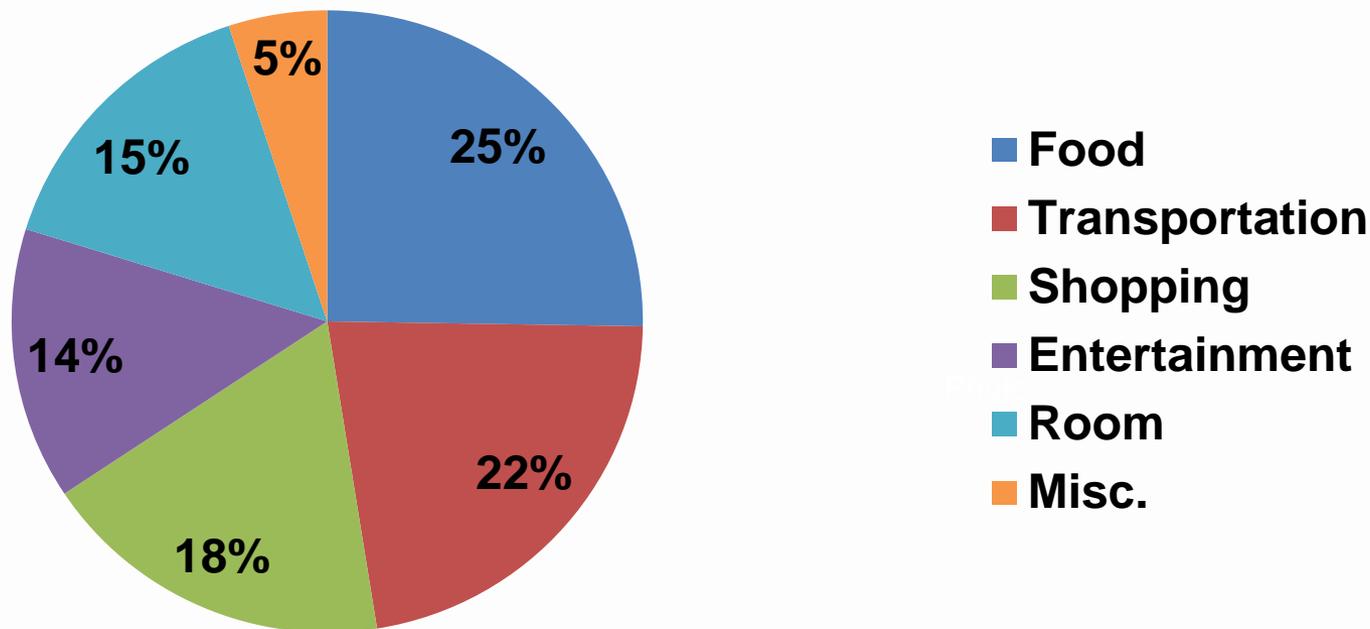


## Average Visitor Spending

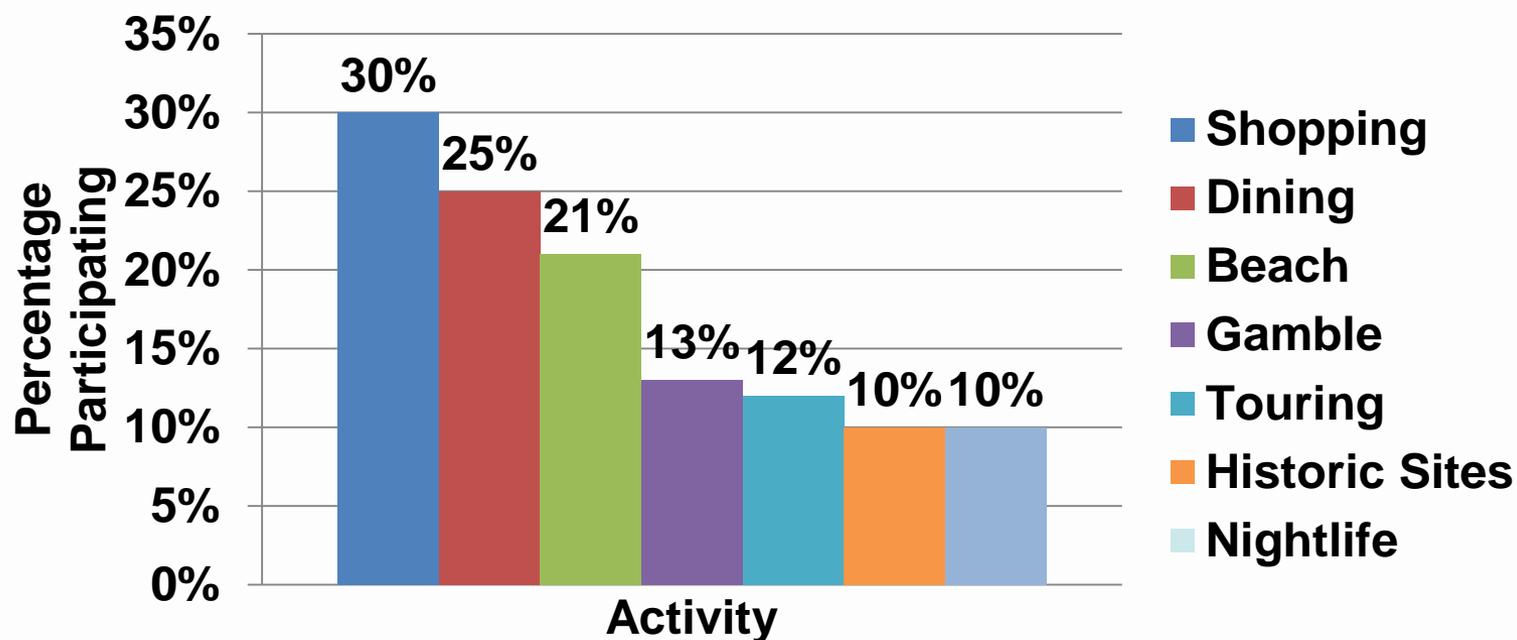
**Per trip = \$573**

**Per day = \$102**

## Category Spending Per Person



## Visitor Activities



## Kinds of Travel

- **Business v. Leisure**
  - **Business – 1.69 million visitors**
  - **Leisure – 6.31 million visitors**
- **Day Trip v. Overnight**
  - **Day Trip – 4.35 million visitors**
  - **Overnight – 3.65 million visitors**

## County Spending

2014	Tourism Expenditures*	14-v-'13 %	Share of State
	(millions of \$)	%	%
<b>Kent</b>	\$578.2	4.2%	13%
<b>New Castle</b>	\$2,087.1	4.1%	47%
<b>Sussex</b>	\$1,767.3	8.0%	40%
<b>Delaware Total</b>	<b>\$4,432.6</b>	<b>5.8%</b>	<b>100.0%</b>

Source: D.K. Shifflet & Associates, US Department of Commerce OTTI, BEA, BLS, Smith Travel Research, Rockport Analytics

## Visitor Spending by County

2014 in Millions \$	Accommodation		Entertainment	Food & Beverage	Shopping	Transportation	Total
	Hotel & Other	Rental Homes					
Kent	\$72.0	\$19.9	\$152.4	\$121.7	\$133.3	\$40.4	\$539.6
New Castle	\$206.7	\$19.2	\$289.9	\$534.4	\$539.7	\$373.1	\$1,963.1
Sussex	\$154.3	\$1,037.6	\$62.3	\$239.9	\$198.0	\$27.9	\$1,720.0
Total Visitor Spending	\$433.0	\$1,076.7	\$504.6	\$896.0	\$871.0	\$441.4	\$4,222.7
Vs 2013	10.6%	8.8%	1.5%	4.5%	3.4%	4.9%	5.6%

## Putting Tourism in Perspective

<i>(in full-time equivalents)</i>	2012	2012 % of Total County Employment	% Change	2013	2013 % of Total County Employment	% Change	2014	2014 % of Total County Employment	% Change
Kent	5,260	6.1%	-1.7%	5,120	5.8%	-2.7%	5,220	5.9%	2.0%
New Castle	18,340	5.3%	-2.6%	18,600	5.2%	1.4%	18,980	5.2%	2.0%
Sussex	15,210	16.0%	0.4%	15,710	16.2%	3.3%	16,630	16.7%	5.9%
<b>Total DE Tourism</b>	<b>38,810</b>	<b>7.3%</b>	<b>-1.3%</b>	<b>39,430</b>	<b>7.3%</b>	<b>1.6%</b>	<b>40,830</b>	<b>7.4%</b>	<b>3.6%</b>

Source: BEA, BLS, Rockport Analytics

- **Core Tourism refers to jobs with firms that directly touch Delaware visitors. This definition is consistent with reported employment in other industries.**
- **Full-time equivalency (FTEs) refers to the number of jobs required to support measured levels of tourism expenditures. Full and part-time jobs are converted to FTEs based upon a 40-hour workweek**
- **According to the Bureau of Economic Analysis, total Delaware non-farm employment (all industries) reached nearly 551,000 in 2014, a 2.1% gain versus 2013. Meanwhile, DE Core Tourism expanded by 3.6% to 40,830 jobs. Delaware Tourism's share of total state employment rose to 7.4%.**
- **The Sussex tourism industry paced 2014 Delaware growth at nearly 6%. Tourism comprised almost 17% of all jobs in the county.**

## Seasonal Second Home Rental

County	2014 Estimated # of Seasonal 2nd Homes	2014 vs 2013 %	2014 Estimated Rental Value* (in mils\$)	% of State	2014 vs 2013 %
Kent	507	4.5%	\$19.9	1.8%	12.1%
Newcastle	736	2.0%	\$19.2	1.8%	2.3%
Sussex	37,178	1.7%	\$1,037.6	96.4%	8.9%
<b>Total</b>	<b>38,422</b>	<b>1.8%</b>	<b>\$1,076.7</b>	<b>100.0%</b>	<b>8.8%</b>

\* Includes the imputed rental value of owner-occupied homes

Source: U.S. Census Bureau , Bureau of Economic Analysis, Rockport Analytics



- **Rental revenue rose 8.8% in 2014**
- **Had home rental spending been subject to DE's Public Accommodation Tax, an extra \$86.1 million in PAT revenue would have been generated**

## Putting Tourism in Perspective

- **1 in 9 Delaware workers owes his/her job to tourism**
- **Tourism was responsible for 14% of net new DE jobs in 2014**
- **Tourism accounts for 10% of the state's tax revenues**

# Delaware Tourism Office

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**99 Kings Highway**

**Dover, DE 19901**

**[visitdelaware.com](http://visitdelaware.com)**

**Sources: D.K.Shifflet & Rockport Analytics**