



# Economic Impacts of Campgrounds in New York State

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Report Submitted to:



*Campground Owners of New York*



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# Executive Summary

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New York State is home to approximately 350 privately owned campgrounds with 30,000 campsites as well as 16,000 campsites in state/municipal parks. These campgrounds generate direct economic benefits as campground visitors spend money on-site at campgrounds, as well as at local businesses, retailers, and restaurants during their stay. This spending generates significant economic and fiscal (tax) impacts as it ripples through the statewide economy

## Summary Economic & Fiscal (tax) Impacts of New York Campgrounds in 2015 (\$ Millions & Jobs)

Description	Amount (\$ Millions & Jobs)
Total Economic Impact	\$1,243
Total Salaries & Wages	\$456
Total Jobs	11,544
Total State & Local Taxes	\$97
Total Federal Taxes	\$107

Source: Tourism Economics

In 2015, New York campgrounds generated a total statewide economic impact of more than \$1.2 billion. This total economic impact of \$1.2 billion included \$456 million in employee salaries and wages, which supported more than 11,500 total jobs in New York State.

The total economic impact of \$1.2 billion also generated significant tax impacts. The total fiscal impact attributable to New York campgrounds in 2015 included \$97 million in state and local taxes and \$107 million in federal taxes.

# Introduction & Outline

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# Introduction

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- New York State is home to approximately 350 privately owned campgrounds with 30,000 campsites as well as 16,000 campsites in state/municipal parks.
- Tourism Economics' current study, commissioned by CONY (Campground Owners of New York) is the first comprehensive analysis to determine the economic contribution of campgrounds throughout New York State.
- The focus of this study is an analysis of the direct, indirect, and induced impacts of the New York State campground industry. Tourism Economics built a model to measure the primary and secondary impacts of the industry through local supply chains and the effects of earned incomes as they are spent in the region.
- Tourism Economics, an Oxford Economics company, has conducted over one-hundred economic impact studies and/or visitor projection models for developers, tourism associations, CVB's, state tourism offices, and national tourism offices across every region of the world.

# Outline

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- The remainder of the report is organized as follows:
  - Current state of New York campgrounds and benchmarking to other states and the nationwide campground industry
  - Framework of economic impact analysis
  - New York campgrounds' direct economic impacts & total economic impacts, including indirect and induced impacts
  - Fiscal (tax) impacts attributable to New York campgrounds

# Benchmarking NY Campgrounds

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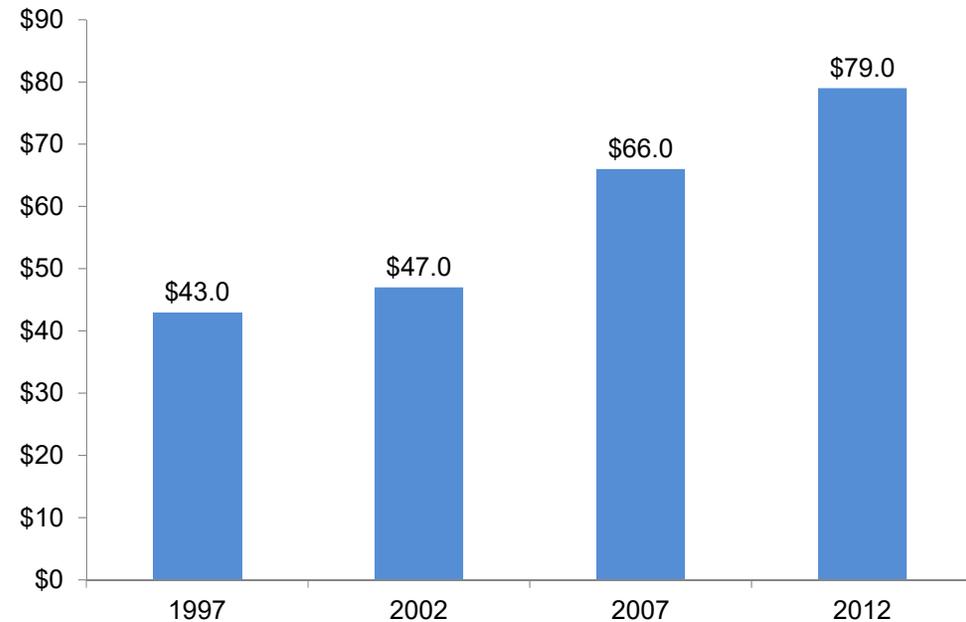
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# New York campground sales

- Based on data from the Economic Census from the U.S. Census Bureau, total sales at New York campgrounds totaled approximately \$43.0 million in 1997.
- Between 1997 and 2007, sales increased from \$43.0 million to \$66.0 million.
- By 2012, sales at New York campgrounds amounted to \$79.0 million, expanding more than 18% compared to sales levels in 2007.
- Between 1997 and 2012, sales at New York campgrounds grew at an average growth rate of more than 3.0% on an annual basis.

## Total Sales (\$ Millions), 1997-2012

New York State: RV Parks & Campgrounds (NAICS 721211)



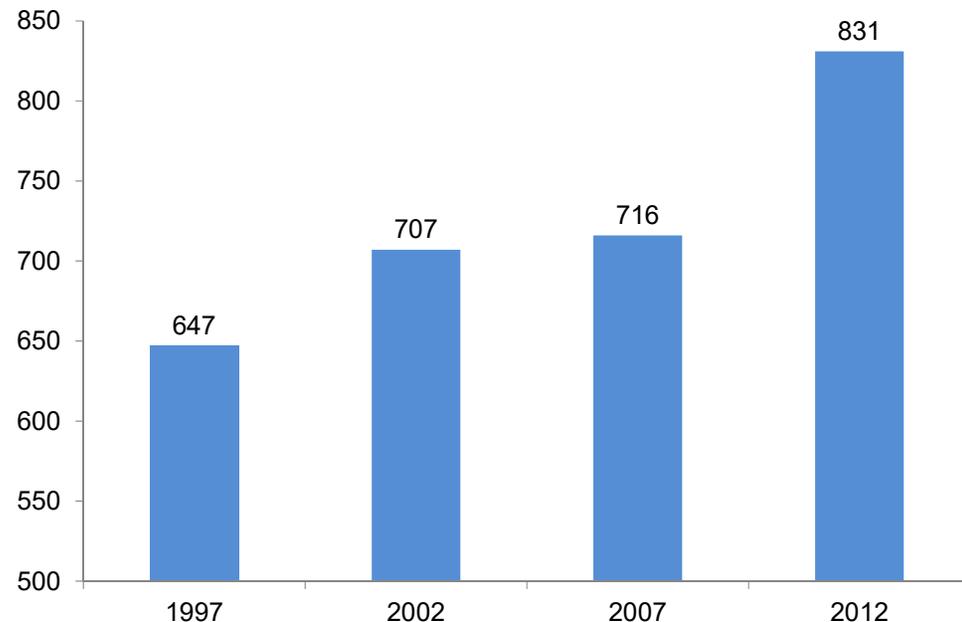
Source: US Census Bureau

# New York campground employment

- In 1997, New York campgrounds employed 647 total workers.
- Between 1997 and 2007, employment increased from 647 to 707 workers.
- New York campground employment remained flat between 2002, increasing slightly from 707 to 716 workers.
- Between 1997 and 2007, employment at New York campgrounds increased just 10.6%.
- Campground employment jumped to top 831 jobs in 2012, representing a 16.1% increase relative to the 716 jobs in 2007.

## Total Employees, 1997-2012

New York State: RV Parks & Campgrounds (NAICS 721211)



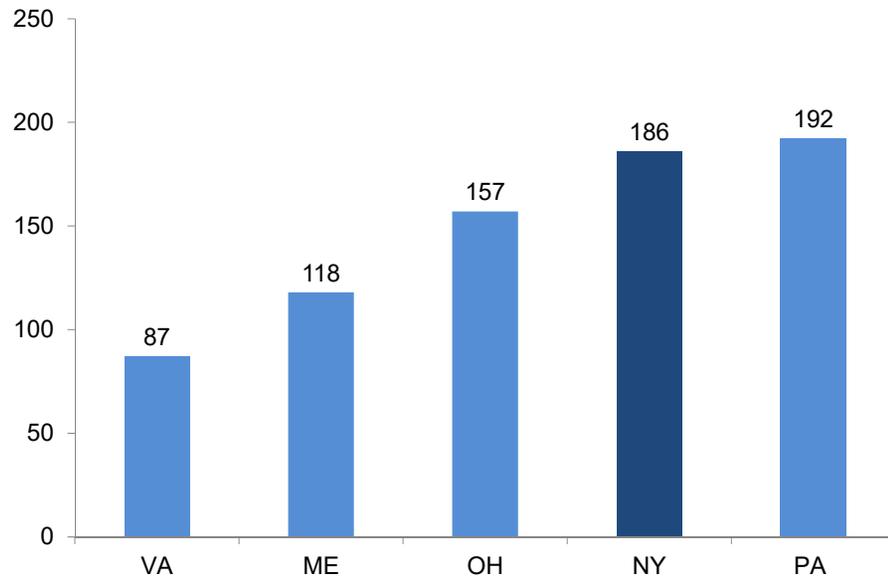
Source: US Census Bureau

# States included in benchmark analysis

- The research team selected states also offering a comparable set of campgrounds within the Northeast region. The selected states include Maine, Ohio, Pennsylvania, and Virginia.
- Among the states included in the analysis, in 2012 total establishments ranged from a low of 87 campgrounds in Virginia to 192 campgrounds in Pennsylvania. Total sales ranged from \$52 million in Virginia to \$92 million in Pennsylvania.
- New York trailed Pennsylvania by small margins in terms of total establishments and total sales.

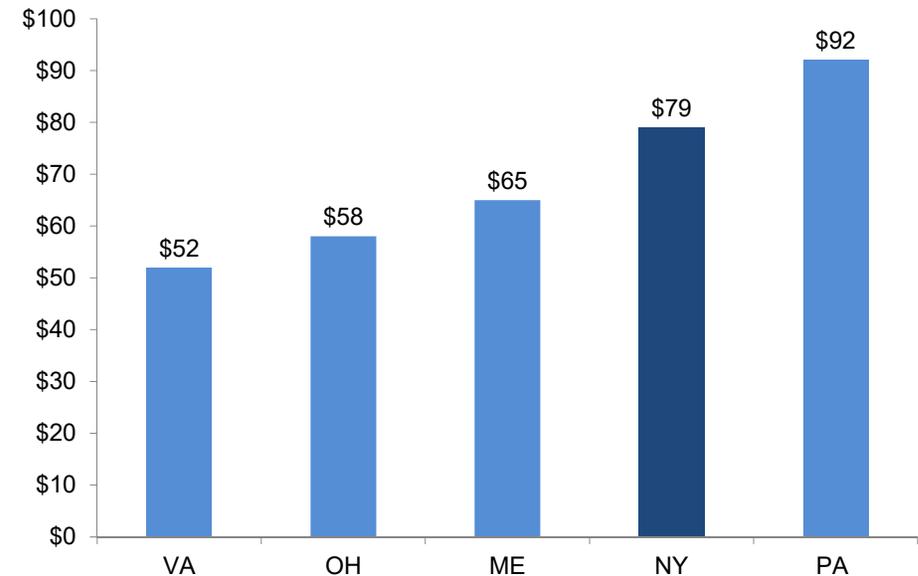
## Total Establishments, 2012

Selected States: RV Parks & Campgrounds (NAICS 721211)



## Total Sales (\$ Millions), 2012

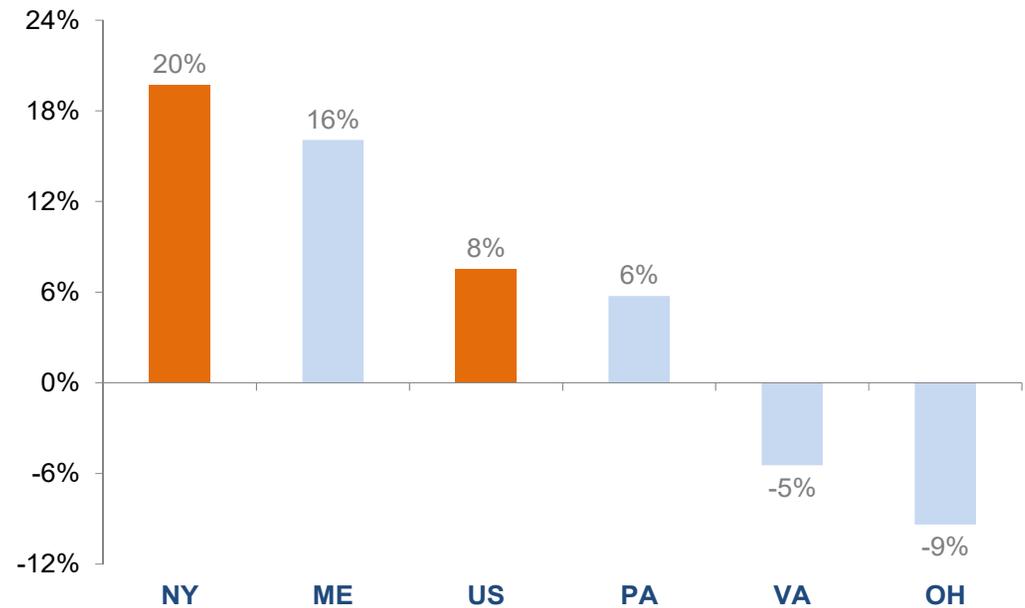
Selected States: RV Parks & Campgrounds (NAICS 721211)



# Benchmarking campground sales

- The benchmarking analysis considered the overall growth in both sales and employment among the comparable set of states, as well as the national average.
- As previously outlined, total sales at New York campgrounds increased from \$66 million to \$79 million, representing a nearly 20% growth in sales between 2007 and 2012.
- New York campgrounds' 20% jump in sales over this time period represented the largest increase among the comparable set of states. Sales in Maine increased approximately 16%, while sales in Ohio contracted 9%
- The 20% increase in sales at New York campgrounds between 2007 and 2012 was considerably larger than the national average of 8% across all campgrounds.

Percentage Growth in Sales at RV Parks & Campgrounds (2007-2012)

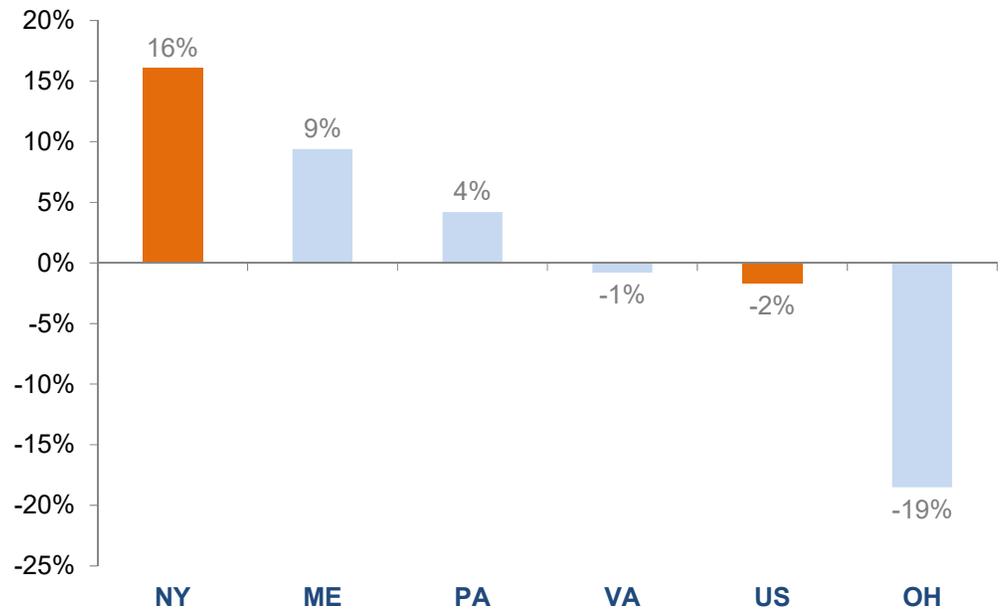


Source: Tourism Economics, US Census Bureau

# Benchmarking campground employment

- Similar to total sales, total employment at New York campgrounds increased at a considerably larger pace compared to the other states.
- Employment at New York campgrounds increased 16% between 2007 and 2012.
- Employment at Main campgrounds increased 9%, while employment in Pennsylvania increased just 4%. In Ohio, employment at campgrounds contracted 19%.
- The 16% increase in employment at New York campgrounds dwarfed the national average, which represented a nationwide decline. Between 2007 and 2012, employment at campgrounds nationwide contracted 2%.

Percentage Growth in Employment at RV Parks & Campgrounds (2007-2012)



Source: Tourism Economics, US Census Bureau

# Economic Impact Framework

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# Economic impacts defined

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- The first step in calculating the economic and fiscal impacts of New York campgrounds is to identify the main components that would positively impact the economy of New York State: camper spending at New York campgrounds, visitors' purchases at off-site business and establishments during their stays at campgrounds.
- The economic impacts of each component outlined above were estimated using a statewide Input-Output (I-O) model based on IMPLAN ([www.implan.com](http://www.implan.com)) models. IMPLAN is recognized as one of two industry standards in local-level I-O models.
- An I-O model represents a profile of an economy by measuring the relationships among industries and consumers. For example, an I-O model tracks the flow of a camper's restaurant expenditures to wages, profits, capital, taxes and suppliers. The supplier chain is also traced to food wholesalers, to farmers, and so on. In this way, the I-O model allows for the measurement of the direct and indirect sales generated by a restaurant meal. The model also calculates the induced impacts of tourism. These induced impacts represent benefits to the economy as employees of tourism sectors spend their wages in the local economy, generating additional output, jobs, taxes, and wages.

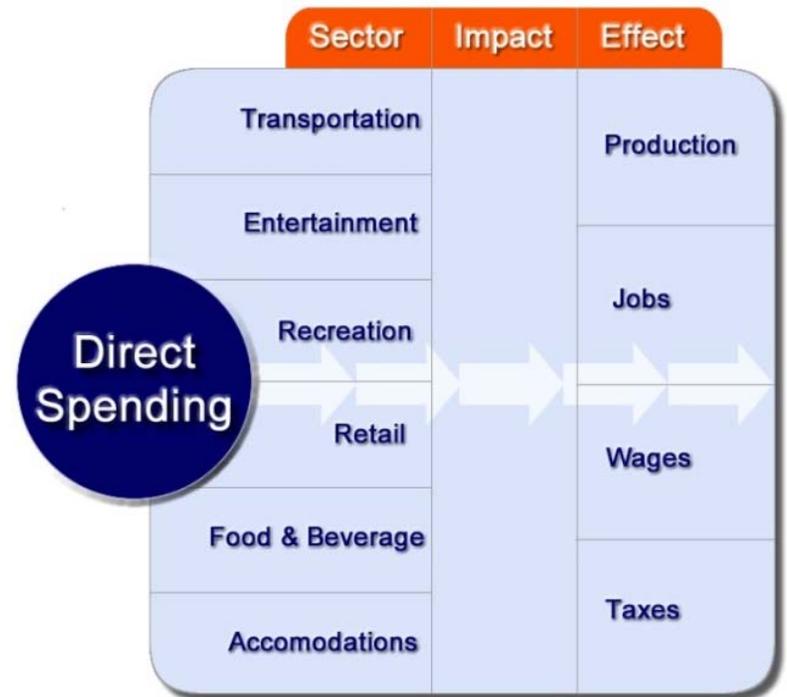
# Economic impacts defined (continued)

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- IMPLAN is particularly effective because it calculates these three levels of impact – direct, indirect, and induced – for a broad set of indicators. These include the following:
  - Spending
  - Wages
  - Employment
  - Federal Taxes
  - State Taxes
  - Local Taxes
- The modeling process begins with aligning the expenditure measurements with the related sectors in the model (e.g. sports & recreation, restaurants, retail, and entertainment). The model is then run to simulate the flow of these expenditures through the statewide economy. In this process, the inter-relationships between consumers and industries generate each level of impact for each economic indicator (sales, wages, employment, etc.).

# Main components of economic impact analysis

- **Direct Impacts** include on-site and off-site direct spending, revenues, and employment associated with NY campgrounds.
- **Indirect Impacts** include local downstream supplier industry impacts. For example, a campground might hire a third-party cleaning service, food and equipment delivery service, legal services, or marketing services.
- **Induced Impacts** arise as employees spend their wages in the local economy. For example, employees at campgrounds, as well as employees at off-site establishments where campers make purchases during their stay, will spend money on rent, transportation, food & beverage, and entertainment within the local and statewide economies.



# Economic Impacts of Campgrounds

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# Main components of direct impacts

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- The direct economic impact of New York campgrounds includes the following main components: On-site spending and off-site spending.
- On-site spending occurs when campers spend money on items such as camp membership fees, camp recreation fees, on-site food and beverage purchases, and miscellaneous rental costs.
- In addition to money spent at camps, campers will also spend money at off-site business and establishments as they purchase food and beverage at local restaurants, attend recreation and entertainment events at local establishments, and purchase gasoline and general merchandise at nearby retailers.
- The final component of campgrounds' off-site spending impact is the purchase of recreational vehicles (RV's). Many people consider recreational vehicles to be a main component of camping and would not go camping if they did not have an RV to enhance their camping experience. Therefore, off-site spending includes a portion of RV sales in New York State.
- Data sources for the various components of campgrounds' direct impacts include the US Census Bureau, the Bureau of Labor Statistics, and the Longwoods Travel USA database, includes .

# Direct Impacts of Campgrounds

- We estimate that total on-site sales at New York campgrounds totaled \$133.9 million in 2015.
- Total off-site sales attributable to New York campgrounds amounted to \$595.4 million in 2015, including \$112.5 million in transportation costs within New York State, \$164.7 million in food and beverage sales, \$120.2 million in retail sales, \$103.8 million in recreation sales, and \$94.2 million in statewide sales of recreational vehicles.
- Overall, the direct economic impact of New York campgrounds totaled \$729.2 million in 2015.

## Summary Direct Economic Impacts of New York Campgrounds, 2015 (\$ Millions)

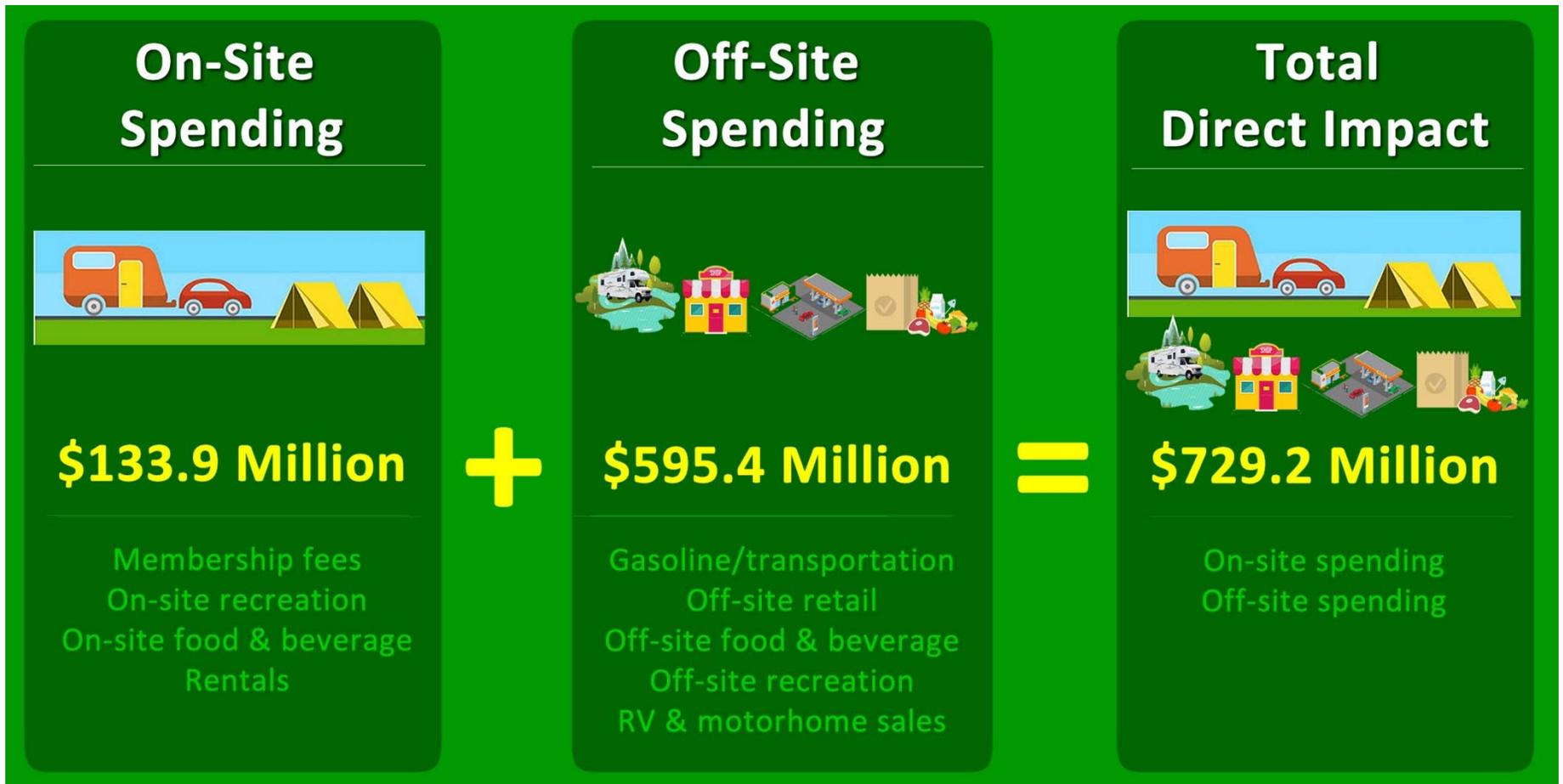
Direct Impact Description	Amount (\$ Millions)
<b>On-Site Sales</b>	<b>\$133.9</b>
<b>Off-Site Sales</b>	<b>\$595.4</b>
Transportation (within destination)	\$112.5
Food & beverage	\$164.7
Retail	\$120.2
Recreation	\$103.8
Recreational Vehicle Sales	\$94.2
<b>Total Direct Economic Impact</b>	<b>\$729.2</b>

Source: Tourism Economics

Note: Total sales of recreational vehicles in New York State totaled nearly \$628 million in 2015. The analysis conservatively assumes that 15% of recreational vehicle sales in New York state (\$94.2 million) are attributable to campgrounds.

Transportation costs within the destination exclude any transportation costs that campers incurred *outside* of New York State.

# Direct Impacts of Campgrounds



# Total economic impacts of NY campgrounds

- The total direct economic impact of New York campgrounds totaled \$729 million in 2015.
- We estimate that campgrounds' direct economic impact of \$729 million generated \$514 million in indirect and induced expenditures, resulting in a total statewide economic exceeding \$1.2 billion.
- This total economic of \$1.2 billion included \$456 million in employee salaries and wages, which supported more than 11,500 total jobs statewide in 2015.

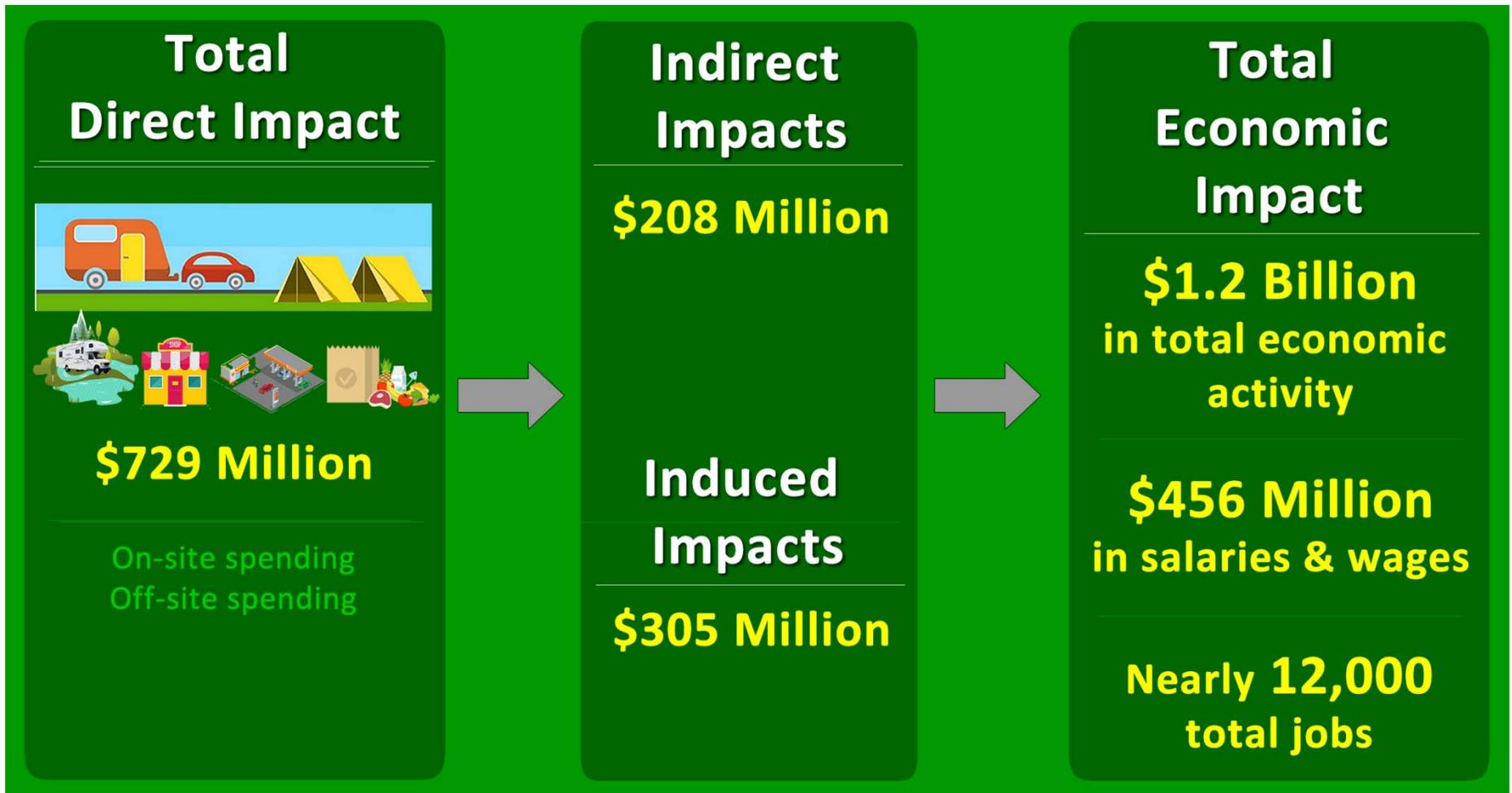
**Summary Economic Impacts of New York Campgrounds in 2015 (\$ Millions)**

Description	Economic Output (\$ Millions)	Salaries & Wages (\$ Million)	Employment
Direct Impact	\$729	\$266	8,694
Indirect & Induced Impact	\$514	\$190	2,850
<b>Total Economic Impact</b>	<b>\$1,243</b>	<b>\$456</b>	<b>11,544</b>

Source: Tourism Economics

Note: The total economic impact of \$1.2 billion is inclusive of \$456 million in salaries and wages.

# Total economic impacts of NY campgrounds



# Fiscal (Tax) Impacts of Campgrounds

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# Fiscal (tax) impacts of NY campgrounds

- New York campgrounds' economic impact of \$1.2 billion will generate significant fiscal impacts in the form of state and local taxes and federal taxes as it ripples through the economy.
- We estimate that campgrounds generated \$96.9 million in state and local taxes in 2015, including \$27.6 million in sales taxes, \$16.7 million in personal income taxes, and \$34.0 million in property taxes.
- New York campgrounds also generated \$107.0 million in federal taxes in 2015, including \$15.2 million in corporate taxes, \$33.2 million in personal income taxes, and \$49.0 million in Social Security taxes.

**Summary Fiscal (Tax) Impacts of New York Campgrounds, 2015 (\$ Millions)**

State & Local Taxes	
Tax Description	Amount (\$ Millions)
Sales Taxes	\$27.6
Personal Income Taxes	\$16.7
Property Taxes	\$34.0
Corporate	\$6.9
Social Security	\$1.5
Other taxes and fees	\$10.2
<b>Total State &amp; Local Taxes</b>	<b>\$96.9</b>
Federal Taxes	
Tax Description	Amount (\$ Millions)
Corporate	\$15.2
Indirect Business	\$9.6
Personal Income	\$33.2
Social Security	\$49.0
<b>Total Federal Taxes</b>	<b>\$107.0</b>

Source: Tourism Economics



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