



# New Hampshire International Visitor Report - 2016

Produced by Travel Market Insights Inc.



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# Introduction

This report is intended to establish a benchmark of international visits, nights, and spending in the state of New Hampshire. The report is also intended to provide insight on why international travel matters and the opportunities for New Hampshire stakeholders in the travel industry.

Estimating visits from travelers around the world to New Hampshire is challenging given most are able to travel freely throughout the U.S. once they arrive. Further, New Hampshire does not have a major port of entry. To ensure the benchmark metrics are statistically strong, only globally and nationally accepted core resources were used to develop the visitor arrivals count, nights spent in New Hampshire, and the total direct spending by those visitors.

The two core resources include a custom New Hampshire data report from the U.S. Department of Commerce, National Travel and Tourism Office, *Survey of International Air Travelers (SIAT)* and a custom report from Statistics Canada. Both resources were vetted by industry leaders and compared to other regional and national metrics to ensure accuracy as best as possible.

The SIAT is conducted in cooperation with over 80 major airlines on a sample of their international flights departing from U.S. airports and at airport boarding areas. The survey information is collected from passengers through questionnaires covering traveler demographics, trip activities, places visited, and travel expenditures. This survey program was initiated in response to a growing need for information on the volume, characteristics, and travel patterns of international air travelers to and from the United States. The data from the survey are used by the public and private sectors to guide strategic planning and marketing to international air travelers.

For the SIAT consumer survey there are two data collection methods. The legacy method (in-flight) involves the direct participation of the airlines which arrange for their flight crews to distribute and collect surveys onboard. NTTO also collects the questionnaires in the airport departure gate area (airport-intercept method). The airport-intercept method accounted for approximately 85% of all collections in 2016, while the in-flight method accounted for approximately 15 percent.

To improve airport specific and destination collections, the Supplemental Airport Survey Program (SASP) is conducted through NTTO as a public/private partnership to survey additional international flights on a monthly basis. The SASP is conducted in partnership with Boston Logan International Airport.

Currently, NTTO orchestrates the SASP in Atlanta, Baltimore, Boston, Denver, Dallas/Fort Worth, Honolulu, Houston, Las Vegas, Los Angeles, Minneapolis, Orlando, Philadelphia, San Juan, Washington Dulles, and others. Each program is slightly different, but the supplemental collections are being conducted to improve the quality of the data collections at each airport and for the overall program. In all cases the airport authority works in cooperation with its convention and visitors bureau (destination marketing organization).

With the exception of the number of respondents, all the data in the tables are statistical estimates, based on responses to the survey and supplemented with data from the U.S. Department of Homeland Security. Passengers on most charter flights and passengers traveling by air between the U.S. and Canada are excluded. For additional information on the methodology and questionnaire please contact Travel Market Insights Inc.

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# Resources

- U.S. Department of Commerce, National Travel and Tourism Office (NTTO)
- Custom New Hampshire Overseas Visitor report – from NTTO Survey of International Air Travelers (SIAT)
- NTTO national overseas visitor custom report
- NTTO visitor forecast and other public reports
- Statistics Canada custom destination data and annual metrics
- World Tourism Organization
- National Tourism Offices from various countries
- U.S. Advance Passenger Information System (APIS)
- Bureau of Economic Analysis (BEA)
- OAG – global passenger traffic and ticketing data
- Discover New England Custom NTTO SIAT Report
- Travel Market Insights Inc.
  - Inbound Travel Monitor Canada, Mexico, and top overseas countries
  - Passenger Analysis Program – tracking passenger arrivals by direct, indirect, and ticketed data from: OAG, First Intended Address, Port of Entry, Port of Departure
  - International Visitor Analysis – analysis of visitor shifts to and within the U.S. for all states and major cities

# Executive Summary



## Why International?

International travel to New Hampshire represents a significant opportunity for New Hampshire businesses and the state. International visitation to the U.S. has outpaced domestic travel and continues to be a larger share of total tourism spending within the United States.

This report establishes a benchmark for total international visits, spending, and visitor nights spent in New Hampshire.

## Overseas Has Strongest Potential

In 2016 New Hampshire was visited by 414,000 international travelers. International visitors spent nearly \$227 million in US dollars traveling in New Hampshire.

Canada dominates in terms of visits to New Hampshire (335,000), accounting for 81% of the total international visitors. However, the real story is visitor nights. Overseas visitors (79,000) accounted for only 19% of the total arrivals, but 43% of the total visitor nights spent in New Hampshire by international visitors.

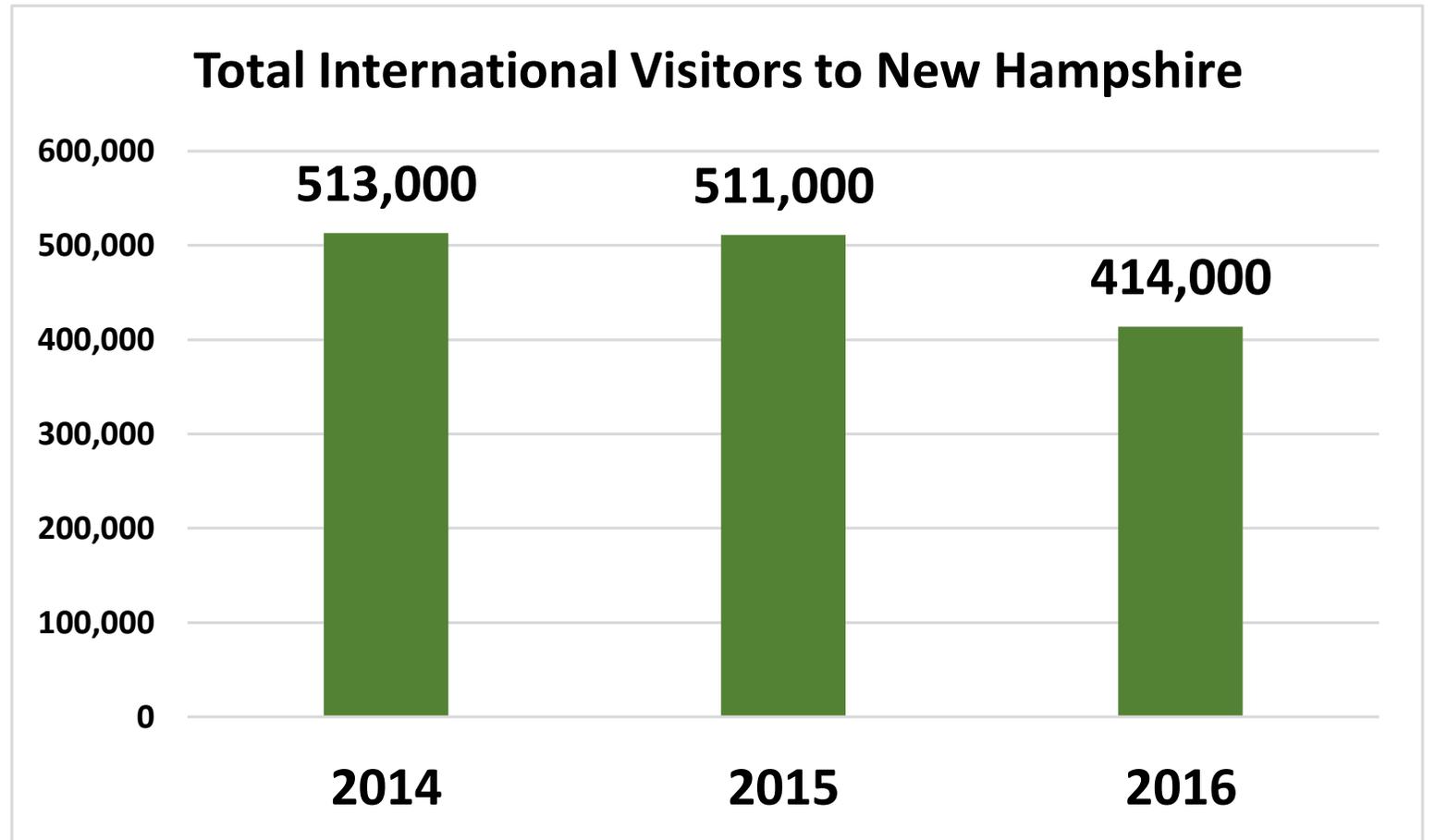
Overseas visitors when traveling in New Hampshire stayed three times as long as Canadian visitors (8.4 nights vs. 2.7 nights on average). That is why overseas visitors accounted for 62% of the total international visitor spending in the state, despite accounting for only 19% of the visitors. Overseas travel to the U.S. is projected to grow 30% in the next five years, while Canadian travel is projected to increase only 3% with a short-term downturn.

## Opportunity to Leverage (future growth, shoulder season, funding)

The international visitor opportunity, especially in overseas markets, is strong due to a higher value and yield per visitor compared to domestic visitors. The international visitor opportunity can also potentially extend the visitor season (shoulder season) compared to domestic travel. The international visitor opportunity also offers more opportunity to leverage limited marketing funds. International visitors (especially overseas visitors) travel regionally and spend substantially more time on vacation in the U.S. and in New Hampshire compared to domestic travelers. Regional travel affords an opportunity to partner and leverage funding with other New England states. In addition, Brand USA, who is charged with promoting travel to the U.S., provides opportunity to leverage both New Hampshire and New England marketing funding.

# Total International Visitors

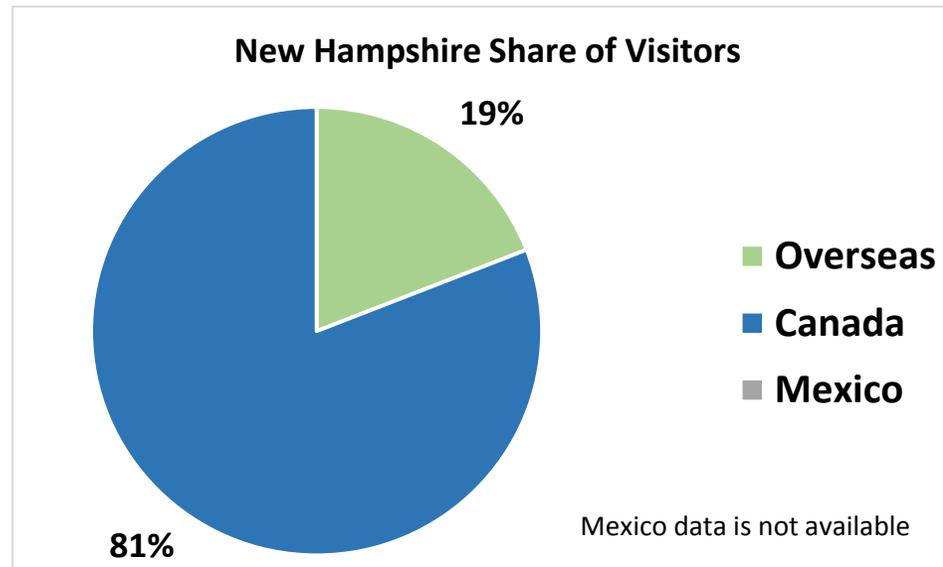
- In 2016 New Hampshire was visited by 414,000 international travelers.
- Visits were down 19.0% in 2016.
- Visits declined from both Canada and overseas.



# Total International Visitors

- Canada dominates in terms of visits to New Hampshire. In 2016 an estimated 335,000 Canadians traveled to New Hampshire – accounting for 81% of the visitor arrivals.
- New Hampshire was visited by 79,000 overseas travelers in 2016. Overseas visitors accounted for 19% of the visitor arrivals.
- No data is available for Mexican visits to New Hampshire in 2016.

New Hampshire Total International Arrivals in 2016 = 414,000

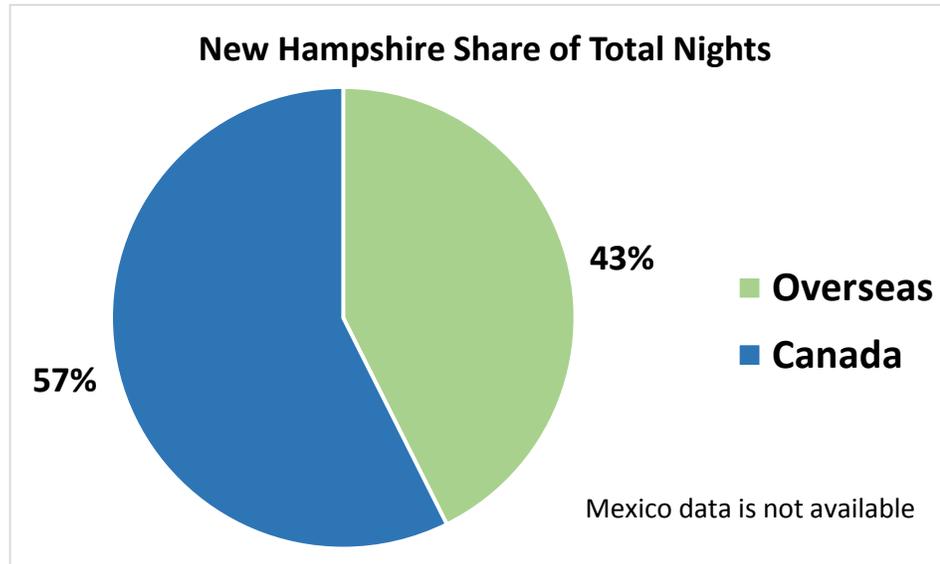


Sources: Travel Market Insights Inc.; USDOC – NTTO Custom SIAT data; Statistics Canada.

# Total International Visitor Nights

- Canada accounted for 81% of New Hampshire's total international visits, however, it only accounted for 57% of the total visitor nights.
- In contrast, overseas visitors only accounted for one fifth (19%) of the state's visits, but more than two fifths (43%) of the visitor nights.
- Overseas visitors spent 3 times longer in New Hampshire than Canadian visitors in 2016.
- On average, overseas visitors spent 8.4 nights exploring New Hampshire. Canadians spent an average of 2.7 nights.

## New Hampshire Total International Visitor Nights in 2016 = 1.56 million



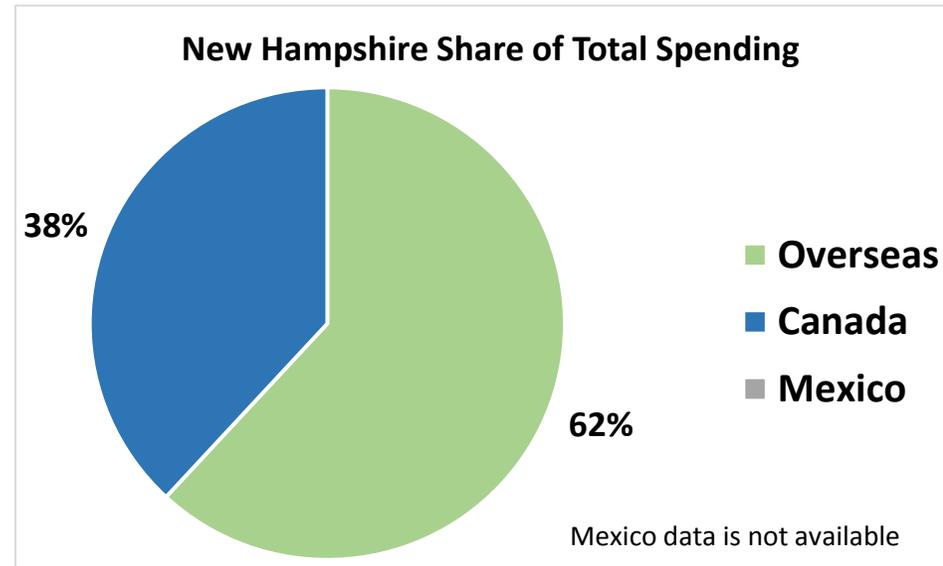
Sources: Travel Market Insights Inc.; USDOC – NTTO Custom SIAT data; Statistics Canada

Total international visitors spent 3.8 nights in New Hampshire, on average.

# Total International Visitor Spending

- In 2016 414,000 international visitors spent an estimated \$226 million in total direct spending while visiting New Hampshire.
- Canadian visitors spent an estimated \$86 million, accounting for nearly two fifths (38%) of the total.
- Overseas visitors spent \$140 million, accounting for over three fifths (62%) of the total.
- On average, overseas visitors spent \$1,777 per visitor trip in New Hampshire. Canadians spent an average of \$258. Mexican visitor spend is not available.

## New Hampshire Total International Spending in 2016 = \$226 M



Sources: Travel Market Insights Inc.; USDOC – NTTO Custom SIAT data; Statistics Canada.

Total international visitors spent \$548 per visitor trip in New Hampshire, on average

# Total International Visitor Summary

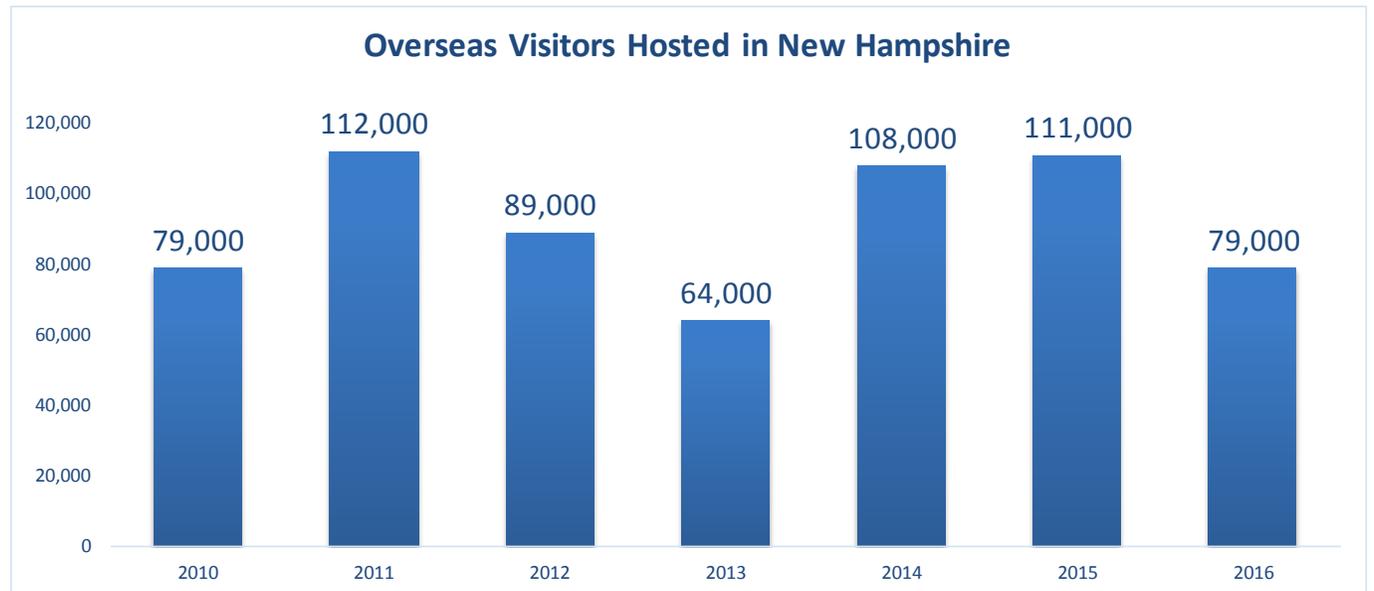
- In 2016 New Hampshire was visited by **414,000** international travelers.
- Visits were down -19% from 511,300 visitors in 2015.
- International visitors spent over **\$226 million** in total direct spending while traveling in New Hampshire.
- Spending was down -22.4% in 2016.
- International visitors stayed in New Hampshire over 1.5 million nights in 2016, down -17.9% from 2015.

Total International Visitors To New Hampshire				
	2014	2015	2016	Percent Change
<b>Total International Visits</b>	512,900	511,300	414,000	-19.0%
Spending	\$268,592,367	\$292,281,451	\$226,677,582	-22.4%
Nights	1,916,500	1,895,600	1,556,600	-17.9%
<b>Overseas Visits</b>	108,000	111,000	79,000	-28.8%
Spending	\$145,039,788	\$183,673,934	\$140,271,242	-23.6%
Nights	853,200	843,600	663,600	-21.3%
<b>Canada Overnight Visits</b>	400,000	395,000	335,000	-15.2%
Spending (USD)	\$123,552,579	\$108,607,517	\$86,406,340	-20.4%
Nights	1,063,300	1,042,000	893,000	-14.3%
<b>Mexico Visits</b>	4,900	5,300	NA	NA
Spending	NA	NA	NA	NA
Nights	NA	10,000	NA	NA

Sources: Produced by Travel Market Insights Inc.; NTTO Custom SIAT Data; Statistics Canada.

# Focus on Overseas Visitors to New Hampshire

- In 2016 overseas visits contracted to 79,000, down from 111,000 in 2015.
- Overseas visits have fluctuated historically. The low was in 2013 and the high-water mark was in 2011.
- The decline in 2016 is associated primarily with the New Hampshire visitor mix. The state is heavily reliant on the UK and Germany. In 2016 visits declined to the U.S. from both the UK and Germany (and other traditional European markets).



# Overseas Visitors by World Region

- New Hampshire was visited by 79,000 overseas travelers.
- Overseas visitor arrivals to New Hampshire decreased -28.8%, over 2015 visits.
- Arrivals from the traditionally stronger European markets contracted, along with visits from Asia, South America, the Middle East, Oceania, and Africa.
- Growth in arrivals came from residents of the Caribbean and Central America.

New Hampshire Visitor Arrivals and Market Share						U.S. Arrivals		
	2015	2016	2016/2015	2015	2016	2015	2016	2016/2015
World Regions	New Hampshire Arrivals (IN 000s)	New Hampshire Arrivals (IN 000s)	Percent Change	Market Share	Market Share	U.S. Arrivals (IN 000s)	U.S. Arrivals (IN 000s)	Percent Change
ALL OVERSEAS	111	79	-28.8%	0.29%	0.21%	38,392	37,589	-2.1%
EUROPE	75	53	-29.3%	0.48%	0.36%	15,699	14,724	-6.2%
ASIA	15	11	-26.7%	0.14%	0.10%	10,816	11,347	4.9%
*SOUTH AMERICA	Under 10,000 visitors		↓	na	na	5,654	5,307	-6.1%
*MIDDLE EAST	Under 10,000 visitors		↓	na	na	1,343	1,297	-3.4%
*CARIBBEAN	Under 10,000 visitors		↑	na	na	1,490	1,548	3.9%
*CENTRAL AMERICA	Under 10,000 visitors		↑	na	na	1,068	1,169	9.5%
*OCEANIA	Under 10,000 visitors		↓	na	na	1,764	1,656	-6.1%
*AFRICA	Under 10,000 visitors		↓	na	na	557	543	-2.5%

\*Denotes low sample - arrivals below 10,000. Ranked by estimated visits in 2016. Arrows represent up, down, or neutral YOY shift.

# Overseas Visitors by Country

- The UK is New Hampshire's top visitor market. In 2016 UK arrivals to New Hampshire declined.
- German visitors are the state's second largest market, also contracting in 2016.
- France, the Netherlands, and China round out the top five visitor markets – all likely registered growth in 2016 with the exception of China.
- Brazil and India ranked 6th and 7th, with both growing in 2016.
- Denmark, Italy, and Australia round out the top ten overseas visitor markets for New Hampshire.

Country of Residence	New Hampshire Visitor Arrivals and Market Share					U.S. Arrivals		
	2015	2016	2016/2015	2015	2016	2015	2016	2016/2015
	New Hampshire Arrivals (IN 000s)	New Hampshire Arrivals (IN 000s)	Percent Change	Market Share	Market Share	U.S. Arrivals (IN 000s)	U.S. Arrivals (IN 000s)	Percent Change
*United Kingdom			↓	na	na	4,901	4,574	-6.7%
*Germany			↓	na	na	2,272	2,035	-10.4%
*France			↑	na	na	1,753	1,628	-7.1%
*Netherlands			↑	na	na	726	672	-7.4%
*China			↓	na	na	2,591	2,972	14.7%
*Brazil	Under 20,000 Visitors		↑	na	na	2,219	1,693	-23.7%
*India			↑	na	na	1,126	1,172	4.1%
*Denmark			↓	na	na	353	326	-7.6%
*Italy			↓	na	na	1,039	983	-5.4%
*Australia			↓	na	na	1,450	1,346	-7.2%

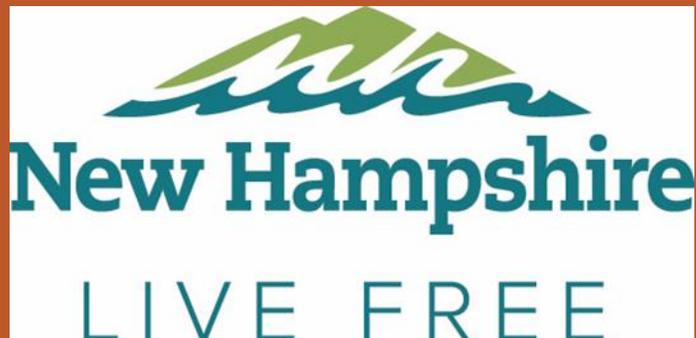
\*Denotes low sample and visits are not reported. Ranked by estimated visits in 2016. Arrows represent up, down or neutral YOY shift.

# Overseas Visitors Highlights Table

- Visits, nights, and total direct spending registered declines in 2016.
- The state registered a decrease in visitors traveling for leisure, however, business and education both increased.
- Average length of stay increased as did the length of stay in a hotel. However, the decline in volume still resulted in fewer overall nights and fewer room-nights in New Hampshire.
- More visitors rented a car and toured New Hampshire and New England in 2016.
- Boston as a port of entry was weaker and consequently New Hampshire registered a decline as the main destination.
- Overseas visitors to New Hampshire travel regionally – visiting 3.0 states on average. In 2016 the state captured nearly two fifths of the visitor's total nights in the U.S.

2015 and 2016 Selected Highlights for Overseas Travelers to New Hampshire			
	2015	2016	% Change
	Overseas to New Hampshire		
Estimated Arrivals	111,000	79,000	-28.8%
Market Share (Change in POINTS)	0.29%	0.21%	-0.08
Mean Total Party Size	1.7	1.7	0.0%
Total Spend	\$183,673,934	\$140,271,242	-23.6%
Spend/stay	\$1,650	\$1,777	7.7%
Spend/night	\$217	\$212	-2.5%
Average Nights in New Hampshire (Mean)	7.6	8.4	10.5%
Total Nights in New Hampshire	843,600	663,600	-21.3%
Average Nights in hotel (Mean)	5.6	6.8	21.4%
Share of nights in hotel	73.7%	81.0%	9.9%
Percent staying in hotel	58.3%	58.7%	0.7%
Room-nights	213,172	185,492	-13.0%
Nights in U.S. (Mean)	21.4	22.0	2.8%
Share of US Nights	35.5%	38.2%	7.5%
Purpose of Trip (Multiple Purposes Possible)			
Leisure	67.6%	62.9%	-7.0%
Business	12.9%	14.4%	11.6%
VFR	48.1%	47.4%	-1.5%
Student/Education	5.6%	7.4%	32.1%
Historical Places	42.4%	42.5%	0.2%
Sightseeing	75.0%	70.9%	-5.5%
Small Towns	73.6%	70.8%	-3.8%
Car Rental	57.4%	58.2%	1.4%
Boston Port of Entry	55.6%	49.6%	-10.8%
New Hampshire Main Destination	38.0%	36.3%	-4.5%
States Visited	3.1	3.0	-3.2%

# New Hampshire Outlook is Strong



- Canada rebounded faster than projected, with solid growth in 2017 and will likely continue growth through 2018.
- Overseas markets offer the greatest potential for expanding visits, visitor nights, and spending.
  - Focus on both repeat and first-time visitors from core traditional markets.
  - Consider expanding into emerging markets through regional and national partners (i.e., Discover New England and Brand USA).
- Educating New Hampshire businesses and policymakers on the value international markets offer is key to expanding and seizing the growth in global travel.
- Leverage promotional efforts once the state's stakeholders understand the opportunity.