

# ECONOMIC IMPACT OF TOURISM IN NEW JERSEY 2019

Prepared for:  
VisitNJ



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# INTRODUCTION

The travel sector is an integral part of the New Jersey economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of New Jersey's future. Direct GDP (gross domestic product) attributable to tourism spending totaled \$21 billion, representing 3.2% of the state economy.

By monitoring the visitor economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development. They can also carefully monitor its successes and future needs. This is particularly true for New Jersey as it builds upon its tourism economy. By establishing a baseline of economic impacts, the industry can track its progress over time.

To quantify the economic significance of the tourism sector in New Jersey, Tourism Economics has prepared a comprehensive model detailing the far-reaching impacts arising from visitor spending. The results of this study show the scope of the travel sector in terms of direct visitor spending, as well as the total economic impacts, jobs, personal income, and fiscal (tax) impacts in the broader economy.

The analysis draws on the following data sources:

- DK Shifflet: survey data, including spending and visitor profile characteristics for visitors to New Jersey. DK Shifflet's Travel Intelligence System<sup>SM</sup> adds detailed travel data for over 60,000 traveling households to its database each year
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR: Lodging performance data, including room demand, room rates, occupancy, and room revenue
- US Census: business sales by industry and seasonal second homes inventory
- Bed tax data
- FW Dodge MarketLook reports – investment spending by industry for New Jersey
- Division of Gaming Enforcement – gaming revenue
- New Jersey Office of Revenue and Economic Analysis

# KEY FINDINGS

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The visitor economy is an engine for economic growth



## Visitor Spending

In 2019, 116 million visitors spent \$46.4 billion in New Jersey.



## Growth continues

Visitor spending increased 3.8% in 2019–2019s visitor spending growth marks ten straight years of growth.



## Employment Generator

Employment directly supported by visitor spending increased by 9,000 jobs—the largest increase this decade.



## Fiscal Contributions

Visitors generated \$5.1 billion in state and local taxes, which is equivalent to \$1,580 in tax savings for every household in New Jersey.

# RESULTS ARE SUBJECT TO REVISION

**Current year results should be considered to be preliminary.**

The economic impact of tourism in New Jersey analysis uses several different data sources including consumer survey data from D.K. Shifflet, tax data, and employment and wage data.

At the time of publication, current year results should be considered to be preliminary as many of these sources are revised before being considered final.

# VISITATION AND SPENDING

# VISITOR SPENDING TRENDS

Continued growth in 2019

## Growth in visitation and spending

New Jersey tourism indicators continued to grow in 2019. Sustained growth in visitation was led by leisure visitors, and Atlantic County once again contributed strong gains to overall tourism in New Jersey.



### Visitation growth increased 4.9% in 2019

Visitation growth was supported by day visitor growth to New Jersey (6.2% growth).



### Visitor spending growth continued in 2019

Visitor spending growth increased 3.8% in 2019 to reach \$46.4 billion.



### Increases in food & beverage spending support overall growth

Visitor spending at restaurants and grocery stores increased by 6% in 2019, leading all categories.

# VISITATION

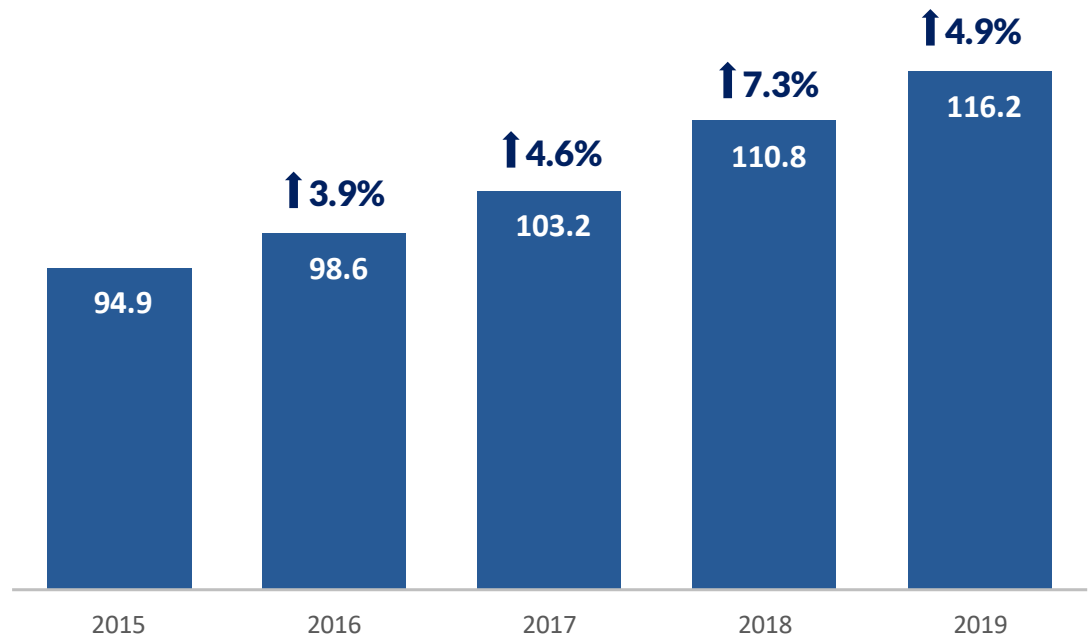
## Total visitor count

New Jersey welcomed 116.2 million visitors to the Garden State in 2019.

Visitation has increased by 50 million person-trips over the past decade, an increase of 75% during this economic expansion.

Visitation grew by 4.9% in 2019 – an increase of 5.4 million person-trips.

New Jersey visitation levels (millions)





# SPENDING

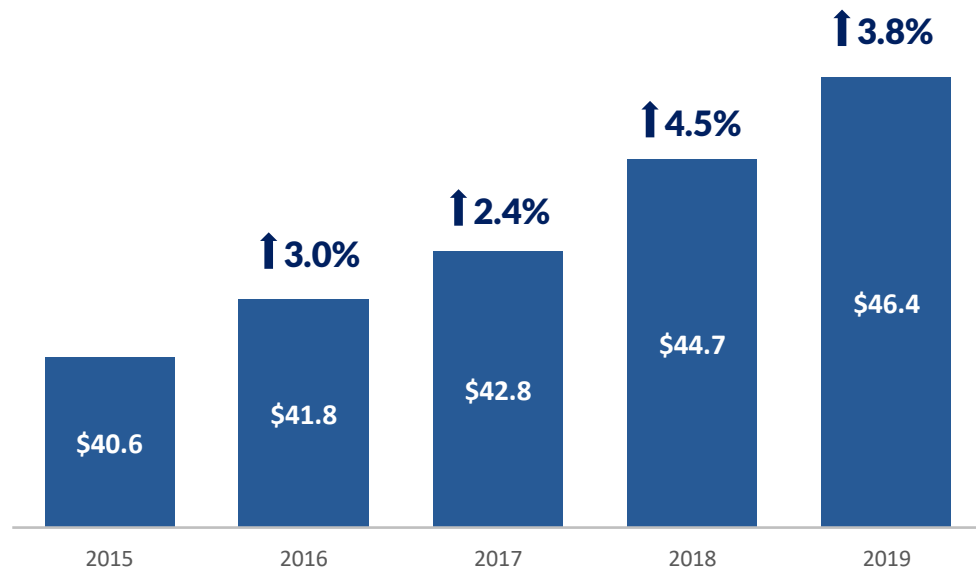
## Total visitor spending

Visitor spending in New Jersey grew 3.8% in 2019 to reach \$46.4 billion.

Visitor spending increased by \$1.7 billion in 2019 and has grown by nearly \$6 billion since 2015.

2019 growth was bolstered by a full year of the new casinos in Atlantic City, which opened their doors in June of 2018.

New Jersey visitor spending (\$ billions)



# VISITATION AND SPENDING

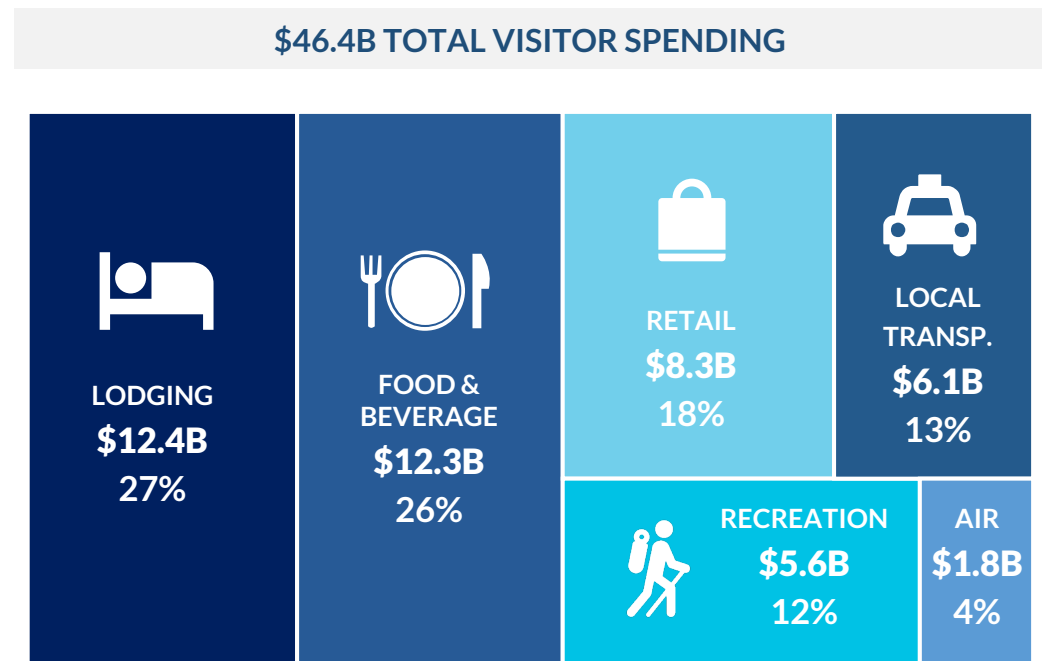
## Total visitor spending count

Visitors to New Jersey spent \$46.4 billion across a wide range of sectors in 2019

Of the \$46.4 billion spent in New Jersey in 2019 by visitors, 27% was spent on lodging. Lodging includes both room rental and casino revenues, as well as 2<sup>nd</sup> home rental income.

26% of each visitor dollar was spent on food & beverages, and 18 cents of each visitor dollar went to retail shopping while in the state.

The \$5.6 billion in the state spent at recreational businesses is 12 cents of each visitor dollar.



# SPENDING

## Visitor spending timeline

Visitor spending has increased by nearly \$6 billion since 2015.

Visitor spending on food & beverages supported overall spending growth. Food & beverage, retail, and recreational spending growth rates in 2019 were stronger than the average over the past five years.

Visitor spending on lodging – including room demand, casino revenues, and 2<sup>nd</sup> home rentals, have grown by \$1.4 billion since 2015.

Retail expenditures by visitors grew by 3.3% in 2019, the strongest growth since 2014.

### Visitor Spending in New Jersey, 2015-2019

Amounts in billions of dollars

	2015	2016	2017	2018	2019	2019 Growth	2015-2019 CAGR
<b>Total visitor spending</b>	<b>\$40.6</b>	<b>\$41.8</b>	<b>\$42.8</b>	<b>\$44.7</b>	<b>\$46.4</b>	<b>3.8%</b>	<b>3.4%</b>
 Lodging*	\$11.0	\$11.3	\$11.6	\$12.1	\$12.4	2.7%	3.1%
 Food & beverages	\$10.1	\$10.5	\$10.8	\$11.6	\$12.3	6.1%	5.0%
 Retail	\$7.7	\$7.8	\$7.9	\$8.0	\$8.3	3.3%	2.0%
 Recreation	\$5.0	\$5.2	\$5.2	\$5.4	\$5.6	3.5%	2.8%
 Transportation**	\$6.8	\$7.0	\$7.3	\$7.6	\$7.8	3.2%	3.6%

\* Lodging includes 2nd home spending

\*\* Transportation includes both ground and air transportation

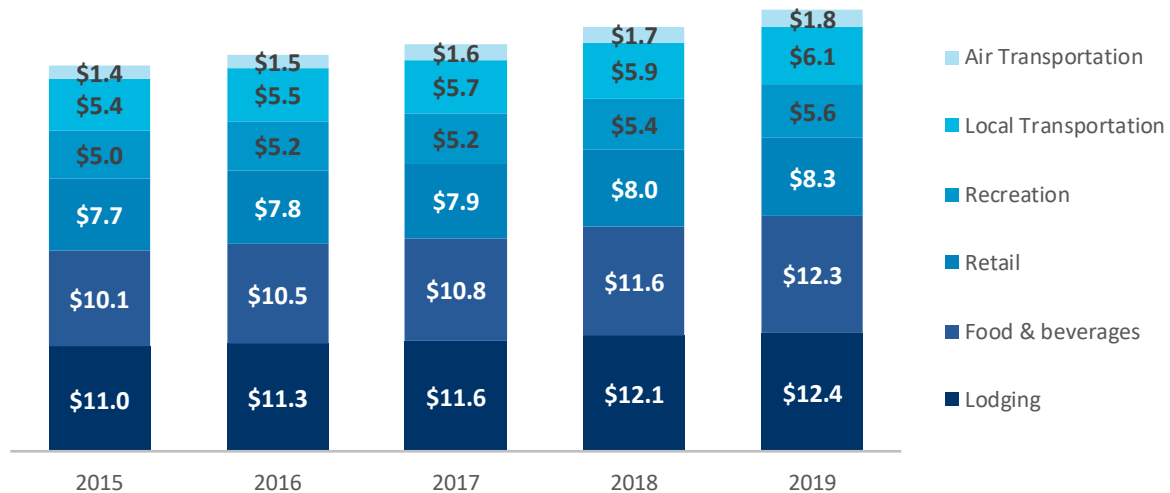
# SPENDING

## Category visitor spending

Visitor spending on food & beverages has grown by more than 20% since 2015, an increase of over \$2 billion.

Of the \$600 million increase in recreational spending over the last five years, two-thirds of the increase has occurred in just the last two years.

New Jersey visitor spending (\$ billions)



# SPENDING

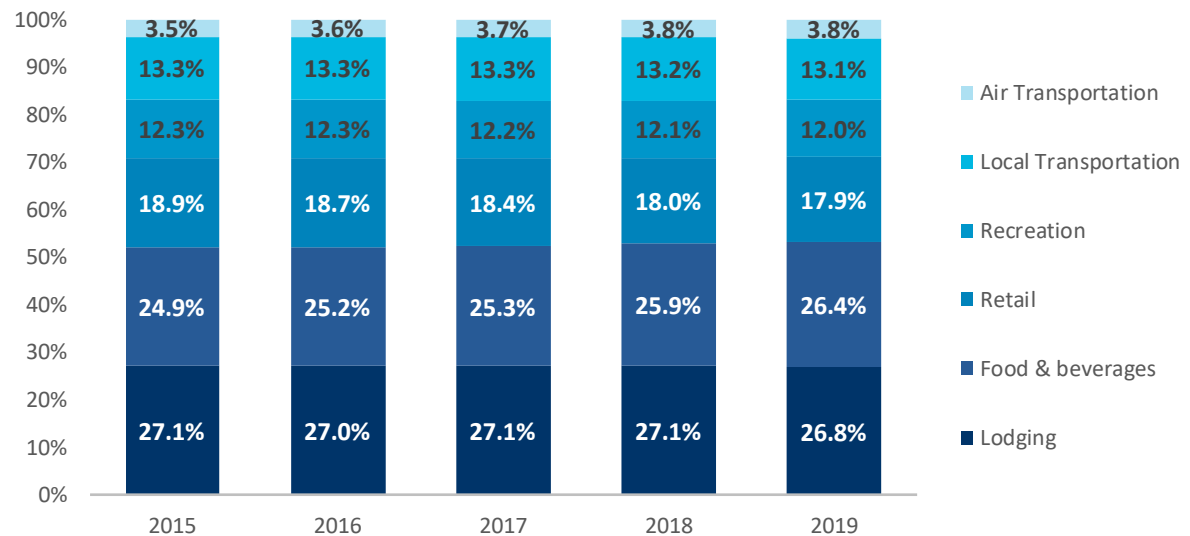
## Visitor spending shares

With the strong increases in spending on food & beverages over the last few years, the share of the visitor dollar spent at restaurants and grocery stores has risen from just under 25% to reach 26.4% in 2019—nearly matching the lodging share.

The share of the visitor dollar spent on recreational activities has slowly edged downward, registering 12% in 2019.

Much of the share gain in food & beverages has come at the expense of the retail share.

New Jersey visitor spending (\$ billions)



# VISITATION AND SPENDING

## Day/overnight splits

Each traveler spends \$400 on their trip to New Jersey.

54.7 million overnight person trips contributed nearly \$42 billion in visitor spending to New Jersey.

Day visitation grew to 61.5 million person trips, with spending increasing by more than \$450 million between 2018 and 2019.

Overnight visitors comprise about 47% of all visitors but spend about 90% of all visitor spending.

Gas prices increased, increasing day traveler costs per trip.

### Trips and spending, 2015-2019

Amounts in nominal dollars and number of visitors

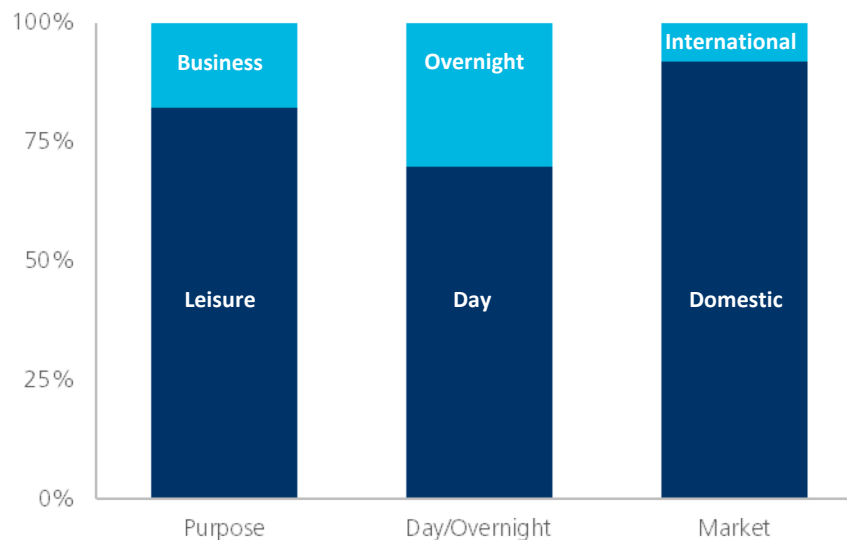
	2015	2016	2017	2018	2019
<b>Total visitors (millions)</b>	<b>94.9</b>	<b>98.6</b>	<b>103.2</b>	<b>110.8</b>	<b>116.2</b>
Day	49.0	50.8	53.4	57.9	61.5
Overnight	45.9	47.8	49.8	52.9	54.7
<b>Total traveler spending (\$ millions)</b>	<b>\$40,567</b>	<b>\$41,779</b>	<b>\$42,790</b>	<b>\$44,721</b>	<b>\$46,442</b>
Day	\$3,614	\$3,697	\$3,815	\$4,033	\$4,487
Overnight	\$36,953	\$38,083	\$38,975	\$40,688	\$41,955
<b>Per traveler spending</b>	<b>\$428</b>	<b>\$424</b>	<b>\$415</b>	<b>\$404</b>	<b>\$400</b>
Day	\$74	\$73	\$72	\$70	\$73
Overnight	\$804	\$796	\$782	\$770	\$767

# SPENDING

## Visitor spending by market

### Spending share by market, 2019

Expressed as a percentage of total expenditure per market



### New Jersey spending by market

Amounts in millions of nominal dollars and percent of total

	Spending	% of total
<b>Purpose</b>	\$46,442	
Leisure	\$42,484	91%
Business	\$3,959	9%
<b>Stay</b>	\$46,442	
Day	\$4,487	10%
Overnight	\$41,955	90%
<b>Market</b>	\$46,442	
Domestic	\$43,373	93%
International	\$3,070	7%

# TOURISM ECONOMY



# INVESTMENT IN SUPPORT OF TOURISM

**\$1.9 billion was spent on construction and investment in support of the tourism industry in New Jersey.**

Spending on new construction for the tourism industry fell 21% to \$617 million in 2019 as declines in construction of amusement & recreational categories fell.

Spending on machinery & equipment increased 1.9% to \$1.3 billion.

## Tourism construction spending in New Jersey

Amounts in millions of nominal dollars

	2015	2016	2017	2018	2019	2019 Growth	2015-2019 CAGR
<b>Construction</b>	<b>\$698</b>	<b>\$745</b>	<b>\$986</b>	<b>\$786</b>	<b>\$617</b>	<b>-21.5%</b>	<b>-3.0%</b>
<b>Machinery &amp; Equipment</b>	<b>\$1,119</b>	<b>\$1,154</b>	<b>\$1,181</b>	<b>\$1,241</b>	<b>\$1,265</b>	<b>1.9%</b>	<b>3.1%</b>
<b>Total</b>	<b>\$1,817</b>	<b>\$1,899</b>	<b>\$2,167</b>	<b>\$2,027</b>	<b>\$1,881</b>	<b>-7.2%</b>	<b>0.9%</b>

# TOURISM ECONOMY SALES

The broader range of tourism-related expenditures reached \$48.7 billion in 2019.

Non-visitor private consumption expenditures (PCE) represent tourism consumer durables such as an RV, boat, or furniture for a vacation home.

Government support for tourism includes the budgets for destination marketing and other budget items in broad support of tourism.

Capital investment (CAPEX) includes construction of hotels and attractions, as well as tourism equipment and infrastructure.

## Tourism economy in New Jersey

Amounts in millions of nominal dollars

	2015	2016	2017	2018	2019	2019 Growth	2015-2019 CAGR
<b>Domestic Visitor</b>	\$37,508	\$38,865	\$39,987	\$41,845	\$43,373	3.7%	3.7%
<b>International Visitor</b>	\$3,059	\$2,914	\$2,802	\$2,876	\$3,070	6.7%	0.1%
<b>Non-Visitor PCE</b>	\$206	\$213	\$228	\$229	\$237	3.4%	3.5%
<b>Gov't Support</b>	\$135	\$138	\$163	\$171	\$172	0.8%	6.3%
<b>Investment</b>	\$1,817	\$1,899	\$2,167	\$2,027	\$1,881	-7.2%	0.9%
<b>Total</b>	\$42,726	\$44,029	\$45,348	\$47,148	\$48,733	3.4%	3.3%

# ECONOMIC IMPACTS



## ECONOMIC IMPACTS

How visitor spending generates employment and income

Our analysis of tourism's impact on New Jersey begins with actual spending by visitors, but also considers the downstream effects of this injection of spending into the local economy. To determine the total economic impact of tourism in New Jersey, we input visitor spending into a model of the New Jersey economy created in IMPLAN. This move calculates three distinct types of impact: direct, indirect, and induced.

The impacts on business sales, jobs, wages, and taxes are calculated for all three levels of impact.

1. **Direct Impacts:** Visitors create direct economic value within a discreet group of sectors (e.g. recreation, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.
2. **Indirect Impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts.
3. **Induced Impacts:** Lastly, the induced impact is generated when employees whose wages are generated wither directly or indirectly by visitors, spend those wages in the local economy.

# DIRECT TOURISM INDUSTRY

## Tourism industry impacts

### Visitor spending in New Jersey supported 342,937 jobs and nearly \$20 billion in state GDP in 2019

Tourism GDP is the value added of those sectors directly interacting with visitors.

The narrow definition of the tourism industry counts only tourism consumption, which excludes capital investment and general government support of tourism. This definition is consistent with economic accounts.

On this basis, tourism industry GDP was \$19.8 billion in 2019, accounting for 3.0% of total New Jersey GDP.

### Tourism Employment and GDP

Amounts in number of jobs and millions of nominal dollars

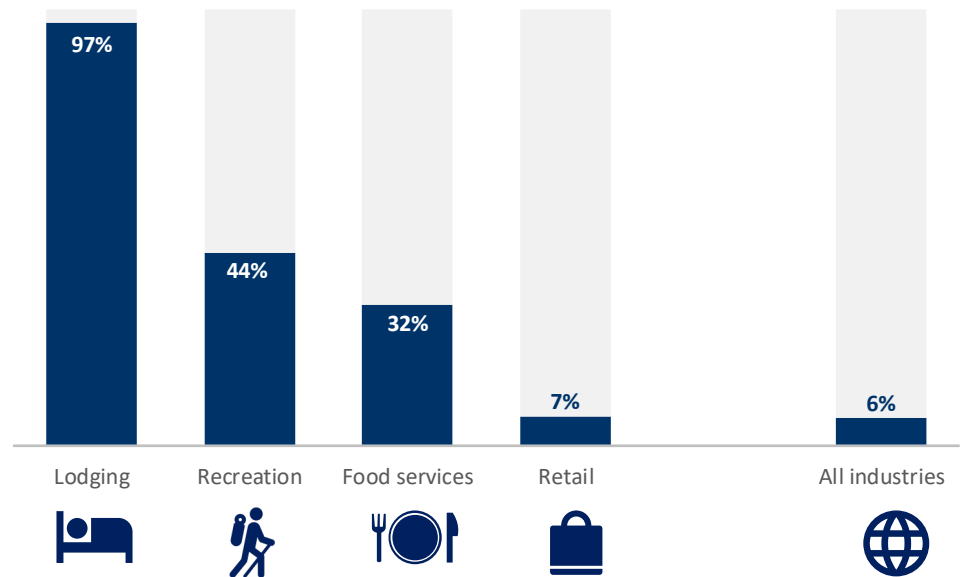
	Employment	GDP (millions)
<b>Total</b>	<b>342,937</b>	<b>\$19,789</b>
Food & Beverage	137,300	\$5,267
Lodging	62,211	\$4,541
Finance, Insurance and Real Est	14,954	\$2,761
Recreation and Entertainment	61,466	\$2,460
Retail Trade	35,035	\$1,989
Air Transport	3,985	\$1,052
Other Transport	9,095	\$851
Personal Services	12,530	\$456
Gasoline Stations	5,608	\$328
Business Services	752	\$85

# DIRECT TOURISM INDUSTRY

## Tourism employment intensity

### Tourism employment is a significant part of several industries

Tourism employment is a significant part of several industries – the majority of lodging employment, 44% of recreation, and 32% of food & beverage employment is supported by tourism spending.



# DIRECT TOURISM INDUSTRY

## Tourism employment growth

### Visitor spending directly supported 342,937 jobs

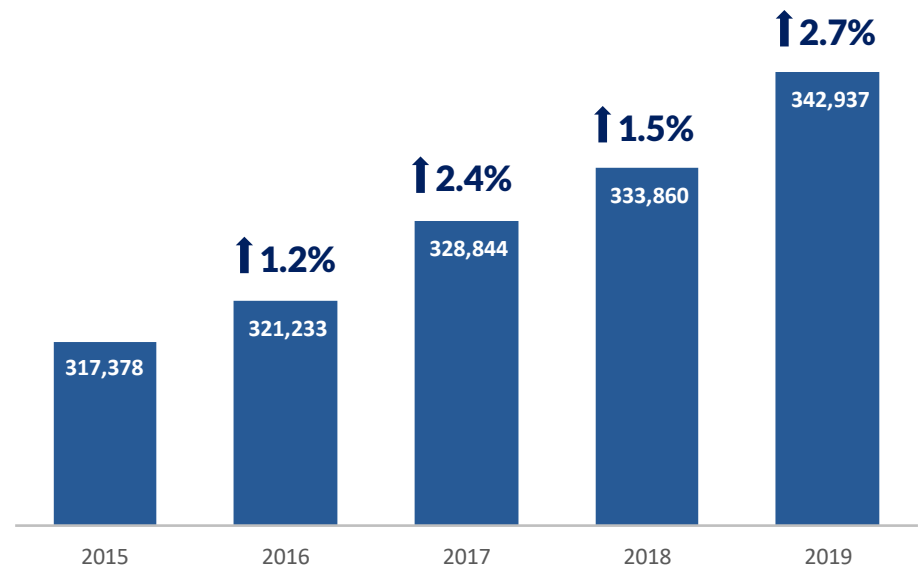
The number of jobs directly supported by tourism increased by more than 9,000 jobs, growth of 2.7%. This is both the largest number of jobs added and the largest growth rate in tourism jobs this decade.

Direct tourism employment has grown by over 25,000 jobs since 2015.

These 342,937 jobs represent 6.1% of all jobs in New Jersey. One out of every 16 jobs is directly supported by visitor spending.

### Tourism supported employment in New Jersey

Amounts in millions of jobs and year-on-year percentage growth



# DIRECT TOURISM INDUSTRY

## Tourism employment

### In 2019, tourism was the 6th largest employer in New Jersey

Visitor activity directly supported 343,000 jobs in New Jersey in 2019. Comparing this with the direct employment in other industry sectors, tourism would rank 6<sup>th</sup> largest industry.

### Employment in New Jersey, by major industry

Amounts in number of jobs



Source: Tourism Economics, BEA



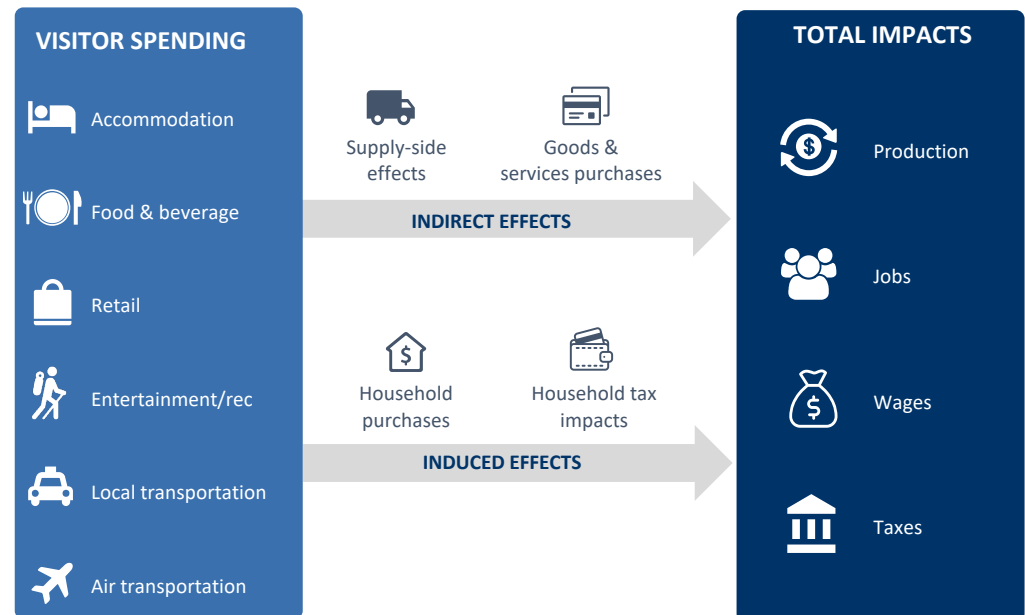
# ECONOMIC IMPACTS

How visitor spending generates employment and income

## Economic impact flowchart

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

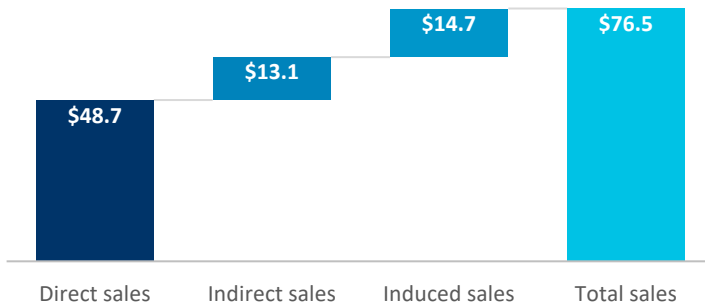


# ECONOMIC IMPACTS

## Business sales by industry

Spending in support of the tourism economy reached \$48.7 billion in New Jersey in 2019. This supported a total of \$76.5 billion in business sales when indirect and induced impacts are considered.

Summary economic impacts (\$ billions)



## Business sales impacts by industry

Amounts in millions of current dollars

	Direct sales	Indirect sales	Induced sales	Total sales
<b>Total, all industries</b>	<b>\$48,733</b>	<b>\$13,065</b>	<b>\$14,663</b>	<b>\$76,461</b>
<b>By industry</b>				
Finance, Insurance and Real Estate	\$6,119	\$3,648	\$4,771	\$14,538
Retail Trade	\$11,569	\$273	\$1,118	\$12,960
Food & Beverage	\$9,208	\$227	\$847	\$10,282
Lodging	\$7,842	\$11	\$11	\$7,864
Recreation and Entertainment	\$4,912	\$299	\$249	\$5,459
Business Services	\$167	\$3,644	\$1,395	\$5,207
Gasoline Stations	\$3,340	\$17	\$50	\$3,407
Construction and Utilities	\$1,881	\$1,049	\$444	\$3,374
Education and Health Care	\$0	\$23	\$2,517	\$2,540
Other Transport	\$1,215	\$796	\$371	\$2,382
Air Transport	\$1,775	\$79	\$121	\$1,975
Communications	\$0	\$838	\$754	\$1,591
Personal Services	\$502	\$326	\$604	\$1,432
Manufacturing	\$31	\$857	\$525	\$1,412
Wholesale Trade	\$0	\$663	\$696	\$1,359
Government	\$172	\$279	\$172	\$623
Agriculture, Fishing, Mining	\$0	\$37	\$18	\$55

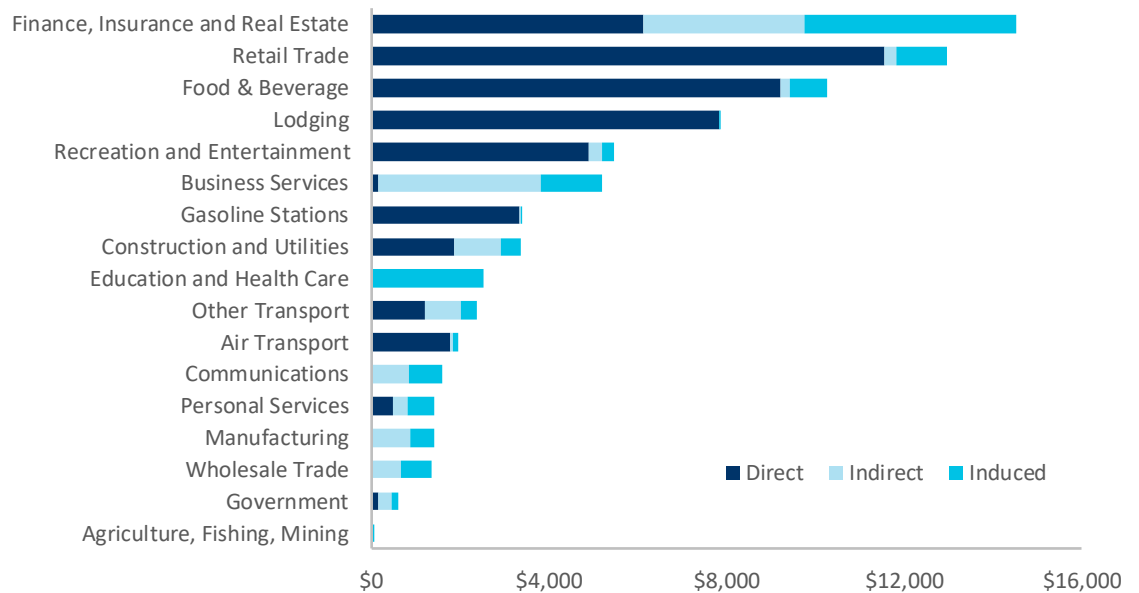
# ECONOMIC IMPACTS

## Business sales by industry

While the majority of sales are in industries directly serving visitors, \$3.6 billion in business services industry sales is happening as a result of selling to tourism businesses.

Significant benefits also accrue in sectors like finance, insurance, and real estate (FIRE) from selling to tourism businesses and employees.

## Business sales impacts by industry

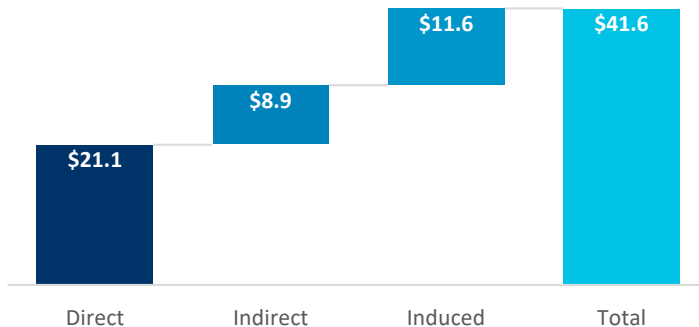


# ECONOMIC IMPACTS

## GDP

Tourism generated \$41.6 billion in local GDP in 2019, or 6.3% of the New Jersey economy. This excludes all import leakages to arrive at the economic value generated by travel.

Summary GDP impacts (\$ billions)



## GDP impacts by industry

Amounts in millions of current dollars

	Direct value	Indirect value	Induced value	Total value
<b>Total, all industries</b>	<b>\$21,066</b>	<b>\$8,891</b>	<b>\$11,600</b>	<b>\$41,557</b>
<b>By industry</b>				
Finance, Insurance and Real Estate	\$2,761	\$2,595	\$4,355	\$9,711
Food & Beverage	\$5,267	\$210	\$626	\$6,103
Lodging	\$4,541	\$9	\$9	\$4,558
Business Services	\$85	\$2,717	\$1,046	\$3,848
Retail Trade	\$1,989	\$82	\$905	\$2,977
Recreation and Entertainment	\$2,460	\$143	\$146	\$2,749
Construction and Utilities	\$1,097	\$651	\$325	\$2,073
Education and Health Care	\$0	\$11	\$1,897	\$1,908
Other Transport	\$851	\$474	\$215	\$1,539
Personal Services	\$456	\$274	\$455	\$1,185
Communications	\$0	\$703	\$468	\$1,171
Air Transport	\$1,052	\$31	\$59	\$1,143
Wholesale Trade	\$0	\$358	\$604	\$962
Manufacturing	\$10	\$372	\$328	\$711
Government	\$169	\$229	\$96	\$494
Gasoline Stations	\$328	\$5	\$43	\$375
Agriculture, Fishing, Mining	\$0	\$28	\$22	\$50

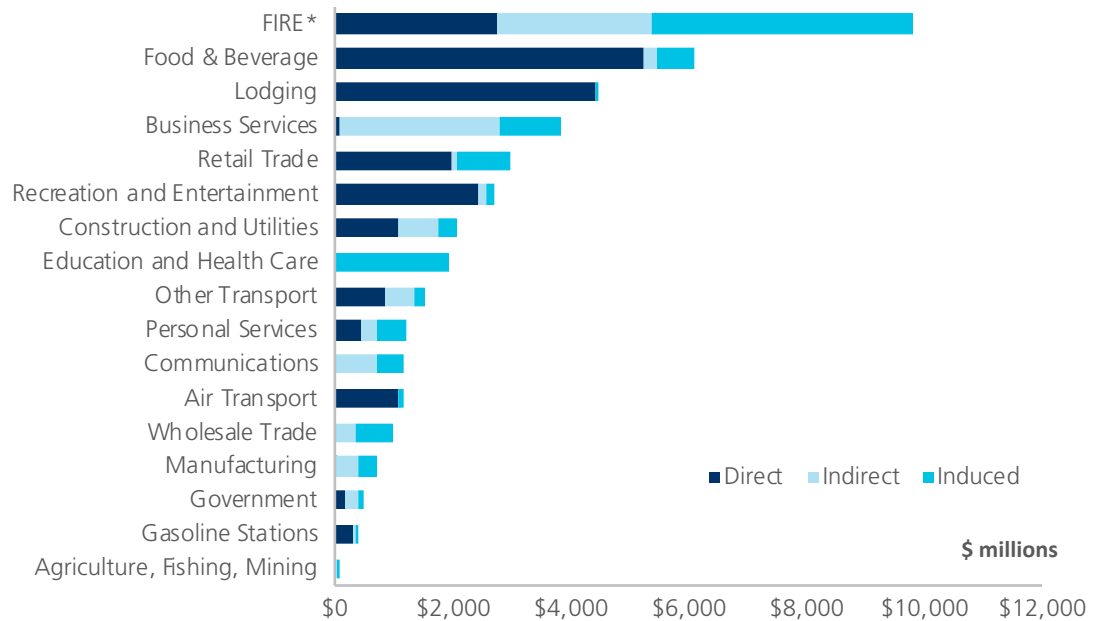
# ECONOMIC IMPACTS

## GDP

The finance, insurance, and real estate industry has the largest local value in New Jersey. This industry includes the value of 2<sup>nd</sup> homes, home rentals, and car rentals as direct impacts.

Food & beverages and lodging follow as industries providing value to New Jersey from visitor activity. Ranking 4<sup>th</sup> is the business services industry. This industry significantly benefits from indirect and induced activity that is supported by visitor activity.

GDP impacts by industry

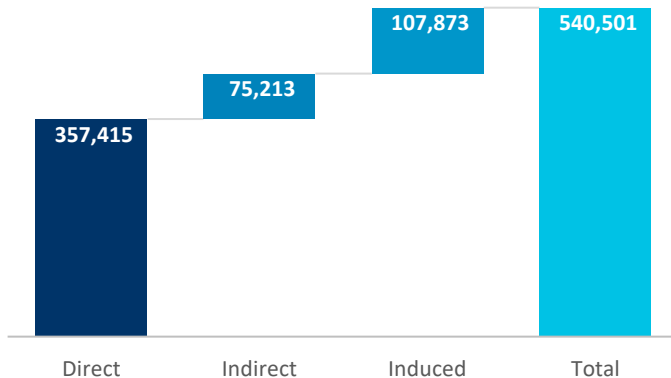


# ECONOMIC IMPACTS

## Employment

Tourism supported a total of 540,501 jobs when indirect and induced impacts are considered. This represents 9.6% of all jobs in the state – or nearly one out of every ten jobs in New Jersey.

Summary employment impacts (number of jobs)



## Employment Impacts

Amounts in total employment

	Direct jobs	Indirect jobs	Induced jobs	Total jobs
<b>Total, all industries</b>	<b>357,415</b>	<b>75,213</b>	<b>107,873</b>	<b>540,501</b>
<b>By industry</b>				
Food & Beverage	137,300	5,640	14,784	157,724
Recreation and Entertainment	61,466	4,408	3,856	69,730
Lodging	62,211	118	124	62,454
Retail Trade	35,766	1,227	13,463	50,456
Finance, Insurance and Real Estate	14,954	14,563	15,493	45,011
Business Services		27,748	10,872	39,373
Education and Health Care	-	287	28,370	28,657
Personal Services	12,530	4,091	9,105	25,727
Other Transport	9,095	4,707	2,328	16,131
Construction and Utilities	11,282	2,885	1,167	15,333
Gasoline Stations		81	649	6,338
Government		2,615	1,248	5,555
Wholesale Trade		1,811	3,155	4,965
Manufacturing		2,320	1,342	4,435
Air Transport	3,985	150	294	4,429
Communications		2,256	1,312	3,568
Agriculture, Fishing, Mining		305	310	615

# ECONOMIC IMPACTS

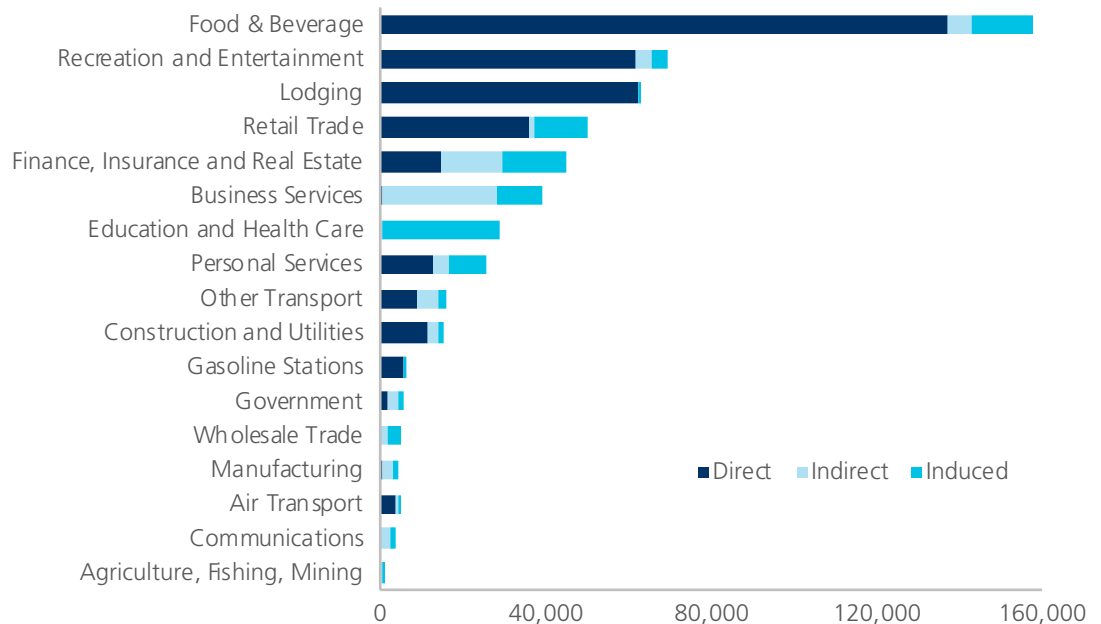
## Employment

Visitor spending supports the largest number of jobs in the food & beverage industry in New Jersey – nearly 160,000. The majority of those jobs are directly supported by visitor activity.

Another 70,000 jobs in the recreation and lodging industries are supported by visitor spending.

Over 75,000 New Jersey-based jobs are indirectly supported by visitor activity.

### Employment Impacts

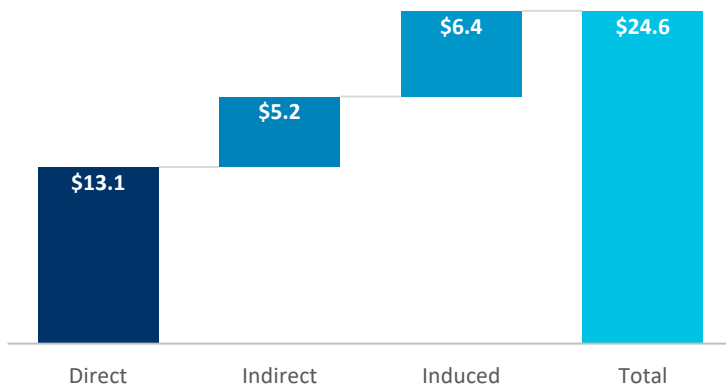


# ECONOMIC IMPACTS

## Personal income

Tourism generated more than \$13 billion in direct income and \$24.6 billion when indirect and induced impacts are considered.

Summary personal income impacts (\$ billions)



## Personal income impacts

Amounts in millions of current dollars

	Direct income	Indirect income	Induced income	Total income
<b>Total, all industries</b>	<b>\$13,057</b>	<b>\$5,192</b>	<b>\$6,362</b>	<b>\$24,610</b>
<b>By industry</b>				
Food & Beverage	\$3,649	\$149	\$439	\$4,237
Business Services	\$57	\$2,135	\$790	\$2,982
Lodging	\$2,716			\$2,726
Finance, Insurance and Real Estate	\$685	\$821	\$977	\$2,483
Recreation and Entertainment	\$1,797	\$120	\$105	\$2,023
Education and Health Care			\$1,862	\$1,873
Retail Trade	\$1,191	\$57	\$606	\$1,854
Construction and Utilities	\$1,017	\$317	\$151	\$1,485
Other Transport	\$797	\$398	\$183	\$1,378
Personal Services		\$240	\$426	\$1,039
Wholesale Trade		\$190	\$327	\$517
Government		\$238	\$118	\$504
Air Transport		\$17	\$35	\$466
Communications	\$0	\$288	\$162	\$450
Manufacturing	\$9	\$182	\$129	\$320
Gasoline Stations		\$3	\$27	\$237
Agriculture, Fishing, Mining		\$19		\$37



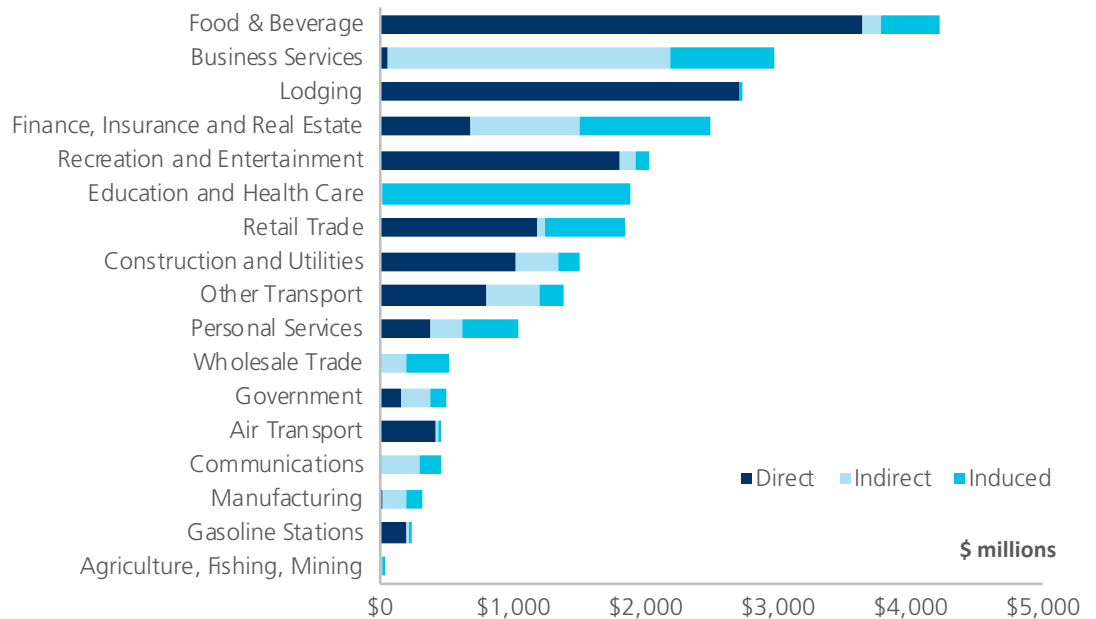
# ECONOMIC IMPACTS

## Personal income

There are ten industries in which visitor activity supports more than \$1 billion in personal income. These range from the obvious—food & beverages and lodging, to the less obvious—business services and education & health care.

Despite ranking a distant sixth in terms of jobs supported, the higher wages in the business services industries supported by visitor activity provide nearly \$3 billion in income to New Jersey job holders.

### Personal income impacts



# ECONOMIC IMPACTS

## Fiscal (tax)

Visitor spending, visitor supported jobs, and business sales generated \$11.2 billion in governmental revenues.

State and local taxes alone tallied \$5.1 billion in 2019.

Each household in New Jersey would need to be taxed an additional \$1,580 per year to replace the traveler taxes received by state and local governments.

### Tourism supported tax revenue

Amounts in millions of current dollars

	2015	2016	2017	2018	2019
<b>Total</b>	<b>\$10,037</b>	<b>\$10,322</b>	<b>\$10,534</b>	<b>\$10,973</b>	<b>\$11,245</b>
<b>Federal</b>					
Personal Income	\$1,822	\$1,878	\$1,907	\$2,009	\$2,063
Corporate	\$792	\$816	\$840	\$880	\$901
Indirect business	\$463	\$477	\$491	\$515	\$527
Social insurance	\$2,347	\$2,420	\$2,457	\$2,588	\$2,657
<b>State and Local</b>	<b>\$4,611</b>	<b>\$4,731</b>	<b>\$4,839</b>	<b>\$4,982</b>	<b>\$5,097</b>
Sales	\$1,386	\$1,428	\$1,438	\$1,438	\$1,486
Bed Tax	\$146	\$150	\$153	\$161	\$162
Personal Income	\$442	\$455	\$462	\$487	\$497
Corporate	\$183	\$189	\$194	\$204	\$204
Social insurance	\$33	\$34	\$34	\$36	\$37
Excise and Fees	\$306	\$317	\$329	\$347	\$353
Property	\$2,115	\$2,158	\$2,203	\$2,309	\$2,357

# ECONOMIC IMPACT IN CONTEXT

# ECONOMIC IMPACTS IN CONTEXT

Figures in context



## Visitor spending

Stacking \$46.4 billion worth of \$100 bills would reach over 31.5 miles high—TWICE the distance from Barnegat Light to Beach Haven.



## Total visitor business sales

The \$75 billion in total impact in 2019 is similar in size to what Americans spend on their pets.



## Employment

Tourism supports 540,500 New Jersey jobs in 2019—enough to employ every resident of Newark and Jersey City, New Jersey's two largest cities.



## Taxes

To make up for the \$5.1 billion in state and local taxes generated by visitor activity, each household in the state would need to contribute \$1,580 to maintain the current level of government.

# VISITATION FORECAST

# Key Points

Visitor volume surpassed 116 million in 2019, an increase of 4.9% over 2018 and continuing a surge in visitation over the past couple of years. After increasing less than 9 million between 2012 and 2015, visitation has increased by over 17.5 million person trips since 2016.

Oxford Economics, in coordination with its Tourism Economics subsidiary company, has modeled the expected downturns in the US travel industry in 2020 as a result of Coronavirus. In our scenario, it is assumed that recovery starts in June with losses of around two-thirds to three-quarters in the months of April and May.

For New Jersey, the visitation forecast for 2020 is for a decline of about a quarter, with 88 million person-trips in 2020. 2021 is expected to see a quick recovery of most of the losses, increasing by a quarter to 110 million.

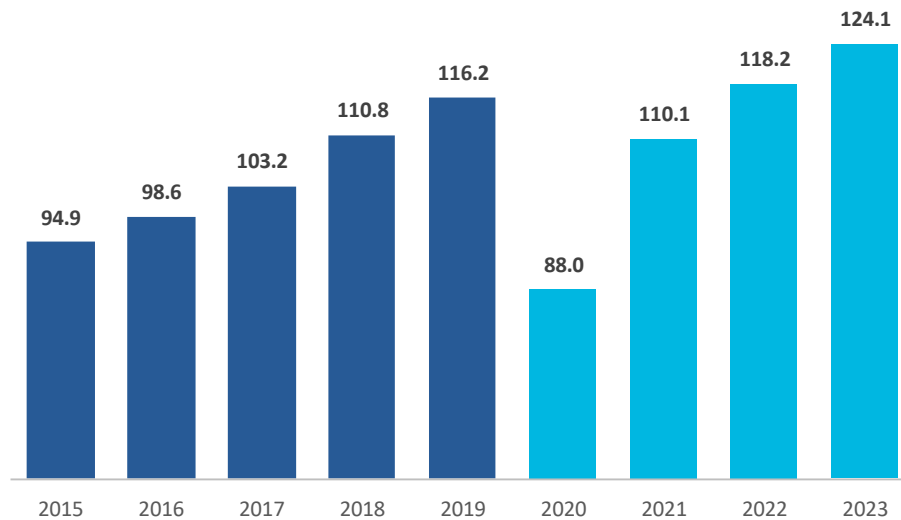
The spending forecast is similar. Losses of nearly a third in 2020 with a quick rebound of 33% in 2021.

# VISITATION FORECAST

New Jersey visitors (millions)

Due to the impact of the COVID-19 crisis, visitation is forecast at 88 million person-trips in 2020.

Visitation is expected to rebound to 110 million in 2021 and will surpass pre-crisis highs in 2022.



# FORECAST

## New Jersey tourism forecast

Visitor spending in New Jersey grew 3.8% in 2019 to reach \$46.4 billion.

Visitor spending increased by \$1.7 billion in 2019 and has grown by nearly \$6 billion since 2015.

2019 growth was bolstered by a full year of the new casinos in Atlantic City, which opened their doors in June of 2018.

	Amounts in millions	Visits	Pch Chng	Spending	Pch Chng	S&L Tax Revenue	Pch Chng
2013	89.24		3.4%	\$38,514.1	1.6%	\$4,424.6	1.3%
2014	92.77		4.0%	\$39,649.7	2.9%	\$4,510.2	1.9%
2015	94.89		2.3%	\$40,567.3	2.3%	\$4,611.2	2.2%
2016	98.63		3.9%	\$41,779.2	3.0%	\$4,731.5	2.6%
2017	103.20		4.6%	\$42,789.6	2.4%	\$4,838.9	2.3%
2018	110.75		7.3%	\$44,720.9	4.5%	\$4,982.2	3.0%
2019	116.15		4.9%	\$46,442.4	3.8%	\$5,097.1	2.3%
2020	88.02		-24.2%	\$31,468.4	-32.2%	\$3,461.8	-32.1%
2021	110.08		25.1%	\$41,959.9	33.3%	\$4,586.8	32.5%
2022	118.20		7.4%	\$44,834.8	6.9%	\$4,869.9	6.2%
2023	124.10		5.0%	\$47,881.3	6.8%	\$5,167.6	6.1%

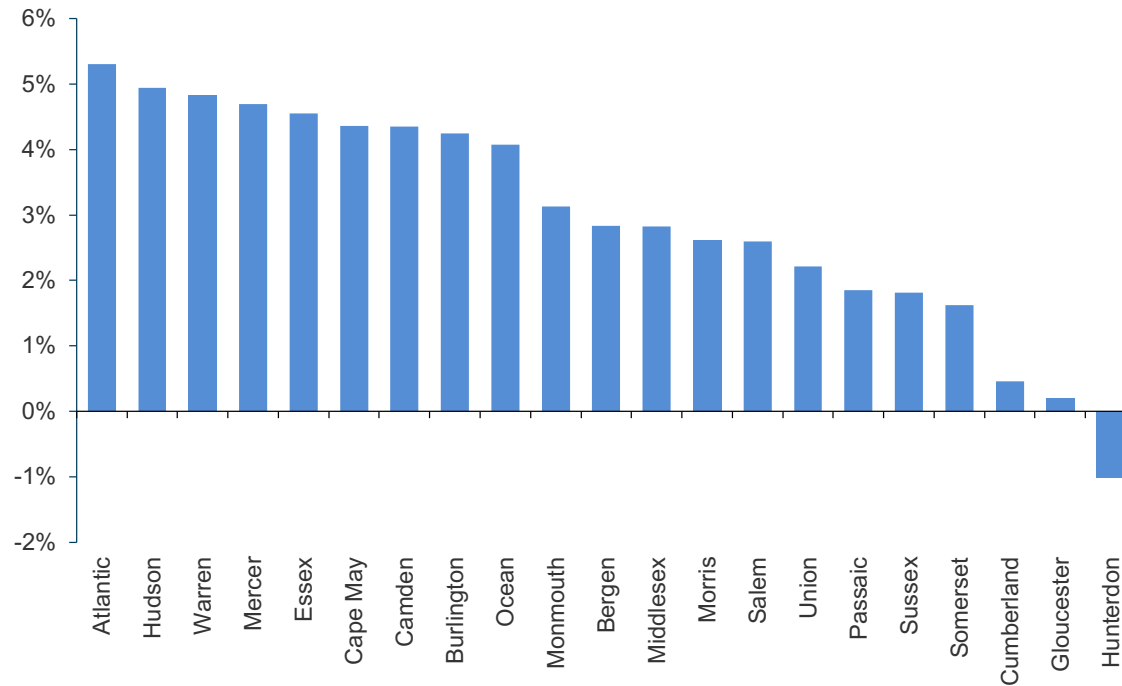


# COUNTY RESULTS

# VISITOR SPENDING GROWTH BY COUNTY

## Growth in Tourism Industry Sales

2019, % change



Source: Tourism Economics

# Key Points

Strong visitor spending growth continued in Atlantic County, which, after ranking second in 2018, ranked 1<sup>st</sup> in 2019 with visitor spending increasing 5.3%. 2019 was the first full year of operations of the two new casinos in Atlantic City, helping bolster growth.

The shore counties did well in general, with both Ocean and Cape May County registering visitor spending growth of over 4% and Monmouth County ranked just behind Ocean County.

Visitor spending in areas around Newark performed well as both Essex and Hudson County ranked in the top 5 for visitor spending growth in 2019.

After several years of outpacing the state, visitor spending performance in the southern Delaware River lagged. Visitor spending underperformed the state in the Skyland Region outside of Warren County.

# VISITATION

Amounts in millions	2015	2016	2017	2018	2019	Percent change	Share of state
<b>State</b>	<b>94.9</b>	<b>98.6</b>	<b>103.2</b>	<b>110.8</b>	<b>116.2</b>	<b>4.9%</b>	<b>100.0%</b>
<b>County</b>							
Atlantic County	16.9	17.4	17.9	20.6	23.0	11.8%	19.8%
Bergen County	9.0	8.9	9.0	9.8	10.0	2.2%	8.6%
Burlington County	3.1	3.2	3.3	3.6	3.9	7.9%	3.3%
Camden County	2.8	3.0	3.2	3.7	3.9	5.8%	3.4%
Cape May County	8.7	9.2	9.3	9.8	10.2	3.6%	8.7%
Cumberland County	0.8	0.8	0.8	0.9	0.9	3.1%	0.8%
Essex County	5.6	5.7	6.0	6.3	6.5	2.8%	5.6%
Gloucester County	1.0	1.1	1.2	1.3	1.3	2.2%	1.1%
Hudson County	5.5	5.7	6.3	6.8	7.3	6.7%	6.3%
Hunterdon County	1.0	1.0	1.1	1.2	1.2	6.3%	1.1%
Mercer County	3.0	3.2	3.4	3.5	3.6	3.1%	3.1%
Middlesex County	5.1	5.2	5.7	5.8	5.9	2.1%	5.1%
Monmouth County	7.4	7.7	8.2	8.6	8.9	3.2%	7.7%
Morris County	5.5	6.1	6.2	6.5	6.5	0.5%	5.6%
Ocean County	7.7	8.1	8.4	8.7	9.0	4.0%	7.8%
Passaic County	1.6	1.7	1.7	1.9	1.9	3.5%	1.7%
Salem County	0.4	0.4	0.4	0.4	0.4	2.6%	0.4%
Somerset County	2.8	2.9	3.0	3.0	3.0	-1.2%	2.6%
Sussex County	2.4	2.6	2.8	2.9	3.0	2.3%	2.6%
Union County	2.8	2.9	3.2	3.3	3.3	1.7%	2.9%
Warren County	1.9	2.0	2.1	2.3	2.4	4.2%	2.0%

# COUNTY SPENDING BY YEAR

Amounts in millions of current dollars	2015	2016	2017	2018	2019	Percent change	Share of state
<b>State</b>	<b>\$40,567.3</b>	<b>\$41,779.2</b>	<b>\$42,789.6</b>	<b>\$44,720.9</b>	<b>\$46,442.4</b>	<b>3.8%</b>	<b>100.0%</b>
<b>County</b>							
Atlantic County	\$6,596.0	\$6,749.1	\$6,849.9	\$7,392.3	\$7,784.2	5.3%	16.8%
Bergen County	\$2,897.1	\$2,893.4	\$2,964.6	\$3,125.1	\$3,213.7	2.8%	6.9%
Burlington County	\$1,454.0	\$1,485.0	\$1,489.8	\$1,607.3	\$1,675.5	4.2%	3.6%
Camden County	\$817.7	\$844.8	\$843.3	\$897.7	\$936.8	4.4%	2.0%
Cape May County	\$5,968.4	\$6,276.7	\$6,368.6	\$6,616.6	\$6,904.9	4.4%	14.9%
Cumberland County	\$342.5	\$352.0	\$348.8	\$353.7	\$355.3	0.5%	0.8%
Essex County	\$3,414.9	\$3,519.8	\$3,651.7	\$3,833.4	\$4,008.1	4.6%	8.6%
Gloucester County	\$433.7	\$456.5	\$482.1	\$527.7	\$528.7	0.2%	1.1%
Hudson County	\$1,995.7	\$2,029.4	\$2,142.2	\$2,290.6	\$2,403.9	4.9%	5.2%
Hunterdon County	\$309.8	\$317.8	\$325.6	\$336.1	\$332.7	-1.0%	0.7%
Mercer County	\$1,238.8	\$1,310.3	\$1,344.9	\$1,379.1	\$1,443.9	4.7%	3.1%
Middlesex County	\$2,292.0	\$2,316.5	\$2,416.5	\$2,456.7	\$2,526.0	2.8%	5.4%
Monmouth County	\$2,358.6	\$2,442.2	\$2,507.9	\$2,570.8	\$2,651.3	3.1%	5.7%
Morris County	\$2,057.1	\$2,128.1	\$2,185.5	\$2,261.0	\$2,320.1	2.6%	5.0%
Ocean County	\$4,535.1	\$4,687.7	\$4,775.0	\$4,787.9	\$4,982.8	4.1%	10.7%
Passaic County	\$560.2	\$593.9	\$601.5	\$638.0	\$649.8	1.9%	1.4%
Salem County	\$197.3	\$201.1	\$200.5	\$214.5	\$220.1	2.6%	0.5%
Somerset County	\$1,119.6	\$1,139.1	\$1,177.9	\$1,235.9	\$1,256.0	1.6%	2.7%
Sussex County	\$508.5	\$521.9	\$530.0	\$546.7	\$556.6	1.8%	1.2%
Union County	\$1,312.9	\$1,351.8	\$1,419.2	\$1,478.2	\$1,510.9	2.2%	3.3%
Warren County	\$157.4	\$162.2	\$164.3	\$172.5	\$180.8	4.8%	0.4%

# COUNTY SPENDING, 2019

Amounts in millions of current dollars	Lodging*	Food and beverage	Retail	Recreation	Transport**	Total	Growth rate	State and local tax
<b>State</b>	<b>\$12,442.7</b>	<b>\$12,277.0</b>	<b>\$8,292.9</b>	<b>\$5,581.7</b>	<b>\$7,848.0</b>	<b>\$46,442.4</b>	<b>3.8%</b>	<b>\$5,097.1</b>
<b>County</b>								
Atlantic County	\$4,081.2	\$1,595.1	\$1,110.2	\$447.1	\$550.6	\$7,784.2	5.3%	\$848.5
Bergen County	\$500.6	\$1,018.0	\$598.4	\$464.3	\$632.5	\$3,213.7	2.8%	\$407.1
Burlington County	\$220.6	\$486.9	\$357.9	\$207.1	\$403.0	\$1,675.5	4.2%	\$187.3
Camden County	\$99.1	\$265.0	\$186.6	\$152.2	\$233.9	\$936.8	4.4%	\$120.0
Cape May County	\$2,680.7	\$1,644.0	\$1,361.9	\$742.4	\$475.9	\$6,904.9	4.4%	\$565.4
Cumberland County	\$41.9	\$97.2	\$80.4	\$38.4	\$97.5	\$355.3	0.5%	\$39.1
Essex County	\$370.5	\$717.6	\$402.1	\$307.4	\$2,210.4	\$4,008.1	4.6%	\$403.7
Gloucester County	\$54.3	\$178.6	\$87.8	\$69.5	\$138.5	\$528.7	0.2%	\$68.8
Hudson County	\$505.1	\$771.0	\$483.0	\$327.8	\$317.0	\$2,403.9	4.9%	\$270.1
Hunterdon County	\$37.0	\$88.5	\$66.4	\$53.8	\$86.9	\$332.7	-1.0%	\$44.0
Mercer County	\$239.5	\$447.3	\$291.0	\$196.1	\$270.0	\$1,443.9	4.7%	\$173.1
Middlesex County	\$375.5	\$820.1	\$505.8	\$323.6	\$501.0	\$2,526.0	2.8%	\$319.8
Monmouth County	\$574.6	\$732.6	\$464.9	\$561.7	\$317.5	\$2,651.3	3.1%	\$312.8
Morris County	\$488.3	\$681.3	\$408.9	\$380.1	\$361.6	\$2,320.1	2.6%	\$299.2
Ocean County	\$1,438.2	\$1,330.2	\$1,001.9	\$664.7	\$547.8	\$4,982.8	4.1%	\$470.4
Passaic County	\$86.4	\$241.4	\$122.6	\$92.9	\$106.5	\$649.8	1.9%	\$94.9
Salem County	\$22.0	\$51.5	\$52.6	\$19.2	\$74.8	\$220.1	2.6%	\$22.1
Somerset County	\$240.3	\$404.5	\$256.1	\$208.8	\$146.2	\$1,256.0	1.6%	\$173.8
Sussex County	\$137.4	\$170.0	\$110.8	\$89.5	\$48.9	\$556.6	1.8%	\$64.9
Union County	\$227.2	\$489.1	\$308.4	\$211.7	\$274.5	\$1,510.9	2.2%	\$188.2
Warren County	\$22.4	\$47.1	\$35.0	\$23.6	\$52.6	\$180.8	4.8%	\$24.0

\* Lodging spending includes 2nd home valuation

\*\* Transport includes local and air transportation

# COUNTY SPENDING, 2018

Amounts in millions of current dollars	Lodging*	Food and beverage	Retail	Recreation	Transport**	Total	Growth rate	State and local tax
<b>State</b>	<b>\$12,121.4</b>	<b>\$11,571.2</b>	<b>\$8,029.2</b>	<b>\$5,391.5</b>	<b>\$7,607.7</b>	<b>\$44,720.9</b>	<b>4.5%</b>	<b>\$4,982.2</b>
<b>County</b>								
Atlantic County	\$3,871.1	\$1,490.8	\$1,079.5	\$418.8	\$532.1	\$7,392.3	7.9%	\$817.1
Bergen County	\$501.0	\$965.0	\$586.0	\$448.9	\$624.3	\$3,125.1	5.4%	\$401.1
Burlington County	\$218.3	\$458.3	\$345.9	\$198.4	\$386.4	\$1,607.3	7.9%	\$182.9
Camden County	\$95.9	\$251.3	\$179.8	\$146.7	\$223.9	\$897.7	6.5%	\$116.5
Cape May County	\$2,632.5	\$1,539.5	\$1,280.3	\$711.5	\$452.7	\$6,616.6	3.9%	\$554.6
Cumberland County	\$43.0	\$94.9	\$79.0	\$37.7	\$99.0	\$353.7	1.4%	\$39.0
Essex County	\$358.5	\$672.1	\$390.3	\$294.9	\$2,117.6	\$3,833.4	5.0%	\$393.3
Gloucester County	\$55.7	\$176.6	\$87.2	\$69.3	\$138.8	\$527.7	9.5%	\$67.9
Hudson County	\$492.0	\$723.4	\$456.4	\$312.0	\$306.8	\$2,290.6	6.9%	\$262.1
Hunterdon County	\$39.0	\$87.8	\$67.9	\$53.3	\$88.1	\$336.1	3.2%	\$44.0
Mercer County	\$230.0	\$422.7	\$281.8	\$190.8	\$253.8	\$1,379.1	2.5%	\$166.9
Middlesex County	\$373.0	\$782.9	\$496.0	\$316.8	\$488.0	\$2,456.7	1.7%	\$313.9
Monmouth County	\$563.2	\$690.7	\$452.5	\$550.5	\$313.9	\$2,570.8	2.5%	\$306.7
Morris County	\$485.1	\$646.5	\$399.5	\$370.3	\$359.7	\$2,261.0	3.5%	\$293.0
Ocean County	\$1,413.7	\$1,224.2	\$979.3	\$638.5	\$532.2	\$4,787.9	0.3%	\$459.4
Passaic County	\$88.0	\$231.2	\$121.5	\$91.2	\$106.1	\$638.0	6.1%	\$93.3
Salem County	\$21.8	\$48.6	\$50.9	\$18.8	\$74.4	\$214.5	7.0%	\$21.9
Somerset County	\$242.7	\$393.7	\$252.7	\$204.2	\$142.5	\$1,235.9	4.9%	\$171.4
Sussex County	\$138.4	\$161.9	\$109.7	\$88.5	\$48.3	\$546.7	3.2%	\$64.3
Union County	\$236.9	\$464.7	\$299.2	\$207.5	\$269.8	\$1,478.2	4.2%	\$186.9
Warren County	\$21.6	\$44.3	\$33.7	\$22.7	\$50.1	\$172.5	5.0%	\$23.2

\* Lodging spending includes 2nd home valuation

\*\* Transport includes local and air transportation

# DIRECT EMPLOYMENT IMPACTS BY COUNTY

	2015	2016	2017	2018	2019	Percent change	Share of state
<b>State</b>	<b>317,378</b>	<b>321,233</b>	<b>328,844</b>	<b>333,860</b>	<b>342,937</b>	<b>2.7%</b>	<b>100.0%</b>
<b>County</b>							
Atlantic County	47,606	47,632	47,978	51,675	54,697	5.8%	15.9%
Bergen County	24,673	24,506	25,292	25,944	26,770	3.2%	7.8%
Burlington County	15,106	15,296	15,620	16,082	16,456	2.3%	4.8%
Camden County	8,858	9,032	9,203	9,253	9,473	2.4%	2.8%
Cape May County	25,858	26,137	26,885	26,570	26,981	1.5%	7.9%
Cumberland County	3,264	3,307	3,308	3,220	3,178	-1.3%	0.9%
Essex County	22,226	22,402	22,284	22,630	23,525	4.0%	6.9%
Gloucester County	4,891	4,972	5,359	5,620	5,658	0.7%	1.6%
Hudson County	18,336	18,536	19,483	19,994	20,574	2.9%	6.0%
Hunterdon County	2,825	2,871	2,902	2,917	2,904	-0.4%	0.8%
Mercer County	12,462	12,915	13,289	13,125	13,362	1.8%	3.9%
Middlesex County	22,685	22,747	23,527	23,463	23,943	2.0%	7.0%
Monmouth County	21,694	22,153	23,151	22,901	23,828	4.0%	6.9%
Morris County	21,552	22,073	22,459	22,534	22,620	0.4%	6.6%
Ocean County	26,137	26,726	26,963	26,595	27,166	2.1%	7.9%
Passaic County	5,618	5,793	5,919	6,000	6,109	1.8%	1.8%
Salem County	1,562	1,578	1,588	1,624	1,648	1.5%	0.5%
Somerset County	10,940	11,023	11,279	11,270	11,360	0.8%	3.3%
Sussex County	6,164	6,288	6,412	6,331	6,408	1.2%	1.9%
Union County	13,251	13,532	14,205	14,372	14,539	1.2%	4.2%
Warren County	1,668	1,712	1,738	1,741	1,738	-0.2%	0.5%



# EMPLOYMENT IMPACTS BY COUNTY, 2019

Amounts in number of employees	Direct employment	Direct Share of Total Employment	Total employment	Total Share of Total Employment
<b>State</b>	<b>342,937</b>	<b>6.2%</b>	<b>542,431</b>	<b>9.7%</b>
<b>County</b>				
Atlantic County	54,697	32.1%	72,770	42.7%
Bergen County	26,770	4.0%	46,725	7.1%
Burlington County	16,456	5.9%	25,055	8.9%
Camden County	9,473	3.4%	16,895	6.1%
Cape May County	26,981	43.2%	37,718	60.4%
Cumberland County	3,178	4.2%	5,371	7.0%
Essex County	23,525	4.8%	41,097	8.4%
Gloucester County	5,658	3.7%	9,249	6.0%
Hudson County	20,574	5.4%	33,361	8.7%
Hunterdon County	2,904	3.6%	5,061	6.3%
Mercer County	13,362	4.4%	24,238	8.0%
Middlesex County	23,943	4.2%	41,651	7.3%
Monmouth County	23,828	5.9%	35,424	8.8%
Morris County	22,620	5.5%	37,432	9.1%
Ocean County	27,166	10.1%	39,068	14.5%
Passaic County	6,109	2.5%	12,075	5.0%
Salem County	1,648	5.9%	2,618	9.4%
Somerset County	11,360	4.4%	20,869	8.0%
Sussex County	6,408	10.4%	8,293	13.4%
Union County	14,539	4.4%	24,458	7.4%
Warren County	1,738	3.5%	3,001	6.1%

# STATE AND LOCAL TAX RECEIPTS BY COUNTY

Amounts in millions of current dollars	2016	2017	2018	2019	Percent change	Share of state
<b>State</b>	<b>\$4,731.5</b>	<b>\$4,838.9</b>	<b>\$4,982.2</b>	<b>\$5,097.1</b>	<b>2.3%</b>	<b>100.0%</b>
<b>County</b>						
Atlantic County	\$751.0	\$770.2	\$817.1	\$848.5	3.8%	16.6%
Bergen County	\$380.9	\$386.2	\$401.1	\$407.1	1.5%	8.0%
Burlington County	\$173.1	\$173.7	\$182.9	\$187.3	2.4%	3.7%
Camden County	\$111.0	\$112.5	\$116.5	\$120.0	3.0%	2.4%
Cape May County	\$537.9	\$542.8	\$554.6	\$565.4	1.9%	11.1%
Cumberland County	\$39.4	\$39.0	\$39.0	\$39.1	0.3%	0.8%
Essex County	\$372.2	\$383.7	\$393.3	\$403.7	2.7%	7.9%
Gloucester County	\$60.7	\$63.6	\$67.9	\$68.8	1.5%	1.4%
Hudson County	\$238.2	\$249.5	\$262.1	\$270.1	3.1%	5.3%
Hunterdon County	\$42.0	\$43.0	\$44.0	\$44.0	0.0%	0.9%
Mercer County	\$160.4	\$165.1	\$166.9	\$173.1	3.7%	3.4%
Middlesex County	\$303.5	\$312.4	\$313.9	\$319.8	1.9%	6.3%
Monmouth County	\$294.3	\$302.8	\$306.7	\$312.8	2.0%	6.1%
Morris County	\$281.2	\$287.1	\$293.0	\$299.2	2.1%	5.9%
Ocean County	\$454.4	\$460.9	\$459.4	\$470.4	2.4%	9.2%
Passaic County	\$89.3	\$89.9	\$93.3	\$94.9	1.7%	1.9%
Salem County	\$21.0	\$20.9	\$21.9	\$22.1	0.9%	0.4%
Somerset County	\$162.2	\$167.5	\$171.4	\$173.8	1.4%	3.4%
Sussex County	\$61.2	\$63.7	\$64.3	\$64.9	0.8%	1.3%
Union County	\$175.3	\$181.7	\$186.9	\$188.2	0.7%	3.7%
Warren County	\$22.1	\$22.5	\$23.2	\$24.0	3.4%	0.5%

# ABOUT TOURISM ECONOMICS

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 250 full-time staff, including 150 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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