

2021 DELAWARE TOURISM SATELLITE ACCOUNT

“2021 ushered in a robust turnaround for Delaware Tourism. Visitors returned, spending rebounded, workers were rehired and Tourism’s contribution to the economy set new records...”



Delaware
Endless Discoveries™

Prepared for:

Delaware Tourism Office

April 2023

DRAFT



**ROCKPORT
ANALYTICS**

2021 Delaware Tourism Satellite Account

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What is a Delaware Visitor? How Do We Define Tourism?

Critical Definitions to Assist in Interpreting Study Results

- **The goal of this study is to measure the impact of visitors on the Delaware economy for calendar year 2021.** Metrics such as contributions to Gross Domestic Product, employment, paid wages, and tax receipts will be used to show the impact of visitor commerce.
- To accomplish this, we must first **define a visitor and then estimate their numbers.** Next, we track their behavior on trips, aggregate their spending, and trace that spending throughout the Delaware economy.
- **The approach used in this study is referred to as a Tourism Satellite Account (TSA).** A TSA is a standard methodology utilized around the world to measure visitor activity and its impact on a jurisdiction's economy. It was developed by the United Nations World Tourism Organization to provide discipline and facilitate comparison with other industries and destinations.
- **What is a visitor?** Simply put, **a visitor is someone who has stayed overnight or traveled more than 50 miles (one-way) on a day trip.** Visitors can come from both outside the state or be residents, as long as they meet this criterion. Person-Trips (P-Trips) is a visitor metric that counts the number of unique people who travel to a destination. While it does not consider the number of stops or stays during a trip, it does count each person in a travel party.
- **Tourism is an industry definition that measures the economic activity generated by Delaware visitors.** It begins by aggregating visitor commerce along with other expenditures made in support of those visitors. Using the TSA approach provides an industry definition standard for Tourism that is directly comparable with other sectors in the state such as Finance, Health Care, Manufacturing, and Business Services.

2021 Delaware Tourism Re-emerges and Returns to Stride

- ✓ **Delaware tourism, like so many other industries, was stricken by the pandemic in 2020**, disproportionately so given the restrictions and fear surrounding travel. **In 2021, the Tourism sector proved its resilience and rebounded from this challenge.** After total visitor volume dropped by almost 12% in 2020, **visitation rose sharply in 2021 expanding by more than 17% to set a new Delaware record of 28.3 million Person-trips.** **Overnight trips led the resurgence rising 27% above 2020 levels.** Likewise, **visitor spending advanced by more than 30% from 2020's pandemic-damaged level to reach \$5.9 billion.** This outturn was driven by higher volume, longer stays, more robust trip budgets, and travel price inflation.
- ✓ **Total 2021 Delaware tourism expenditures rose to a record-breaking \$6.3 billion, an increase of 29% versus 2020.** This comprehensive industry measure includes **visitor spending at \$5.9 billion (+30%), tourism construction/investment at \$182 million (+17%), and \$258 million (+8%) in resident outbound trip expenditures.** Visitor spending categories such as hotel (+48%), food & beverage (+39%), and entertainment/recreation (+30%) led the way. Meanwhile, rental and second home utilization advanced by 13% on the strength of new supply and (especially) rising rental rates. Tourism construction also added to DE Tourism's good-news story in 2021, advancing 21% led by hotel, bridge, and parking construction.
- ✓ **With the return of visitors came a dramatic rebound in the industry jobs necessary to serve them. After losing more than 8,600 jobs in 2020, tourism employment rebounded in 2021 adding 10,900 to surpass its previous peak.** In fact, more than 64% of all new 2021 jobs created in the state came from tourism. Delaware Core Tourism employment rose to a record 47,760 full and part-time jobs in 2021, up 30% from a pandemic-stricken 2020. Tourism regained its place as the 4th largest private employer in the state, now comprising 9% of all Delaware private sector jobs.
- ✓ **Tourism's contribution to the DE economy, measured in terms of its contribution to Gross Domestic Product (GDP), rose in lockstep with other industry metrics. After falling to \$2.2 billion in 2020, Tourism GDP rose to a record \$4 billion in 2021.** This is essentially a measure of how much tourism spending remains in the state economy and is paid out as wages, rent, taxes, and profits to Delaware residents, governments and businesses. Delaware Tourism remains a larger contributor than all private sectors except Health Care, Finance, and Retail.
- ✓ Since public monies are used to promote Delaware Tourism, it is important to consider the tax receipts initiated by visitor spending. **In 2021, total tourism-initiated tax receipts hit \$1 billion for the first time, \$451 million of which went to the federal government and \$620 million to Delaware state and local authorities.** State & local collections were up nearly 25% vs. 2020 and were led by Public Accommodations Taxes (+83%), Video Lottery & Gaming (+42%), and Income taxes (+28%). Tourism-initiated taxes comprised an estimated 11% of all state & local receipts in 2021 and totaled about \$1,608 per Delaware household.

2021 Delaware Tourism Headline Numbers

28.3M
Visitors

- **Visitor Volume Growth 17.4%**
- Day Share: 65% Overnight: 35%
- Business: 13% Leisure: 87%



\$6.3B
Tourism Spending

- **Spending Growth 28.9%**
- Visitor Spend: \$5.9B, Construction/Investment: \$182M
- Spend/Trip: \$216



\$1.1B
Total Initiated Taxes

- **Tax Revenue Growth 25.8%**
- Federal: \$451 M
- State & Local: \$620 M



56.4K
Total Jobs Supported

- **Employment Growth 27%**
- Full & Part-Time



\$2.0B
Total Paid Wages

- **Tourism Wage Growth 29%**
- Average Annual Salary = \$34,980 (full & part-time)



\$4.0B
Economic Contribution

- **Value-Added (GDP) Growth 25%**
- Contribution to Delaware GDP or Value-Added



Sources: Longwoods International, NTT0, STR, AirDNA, Dodge Construction, DE Department of Revenue, IMPLAN, Rockport Analytics

2021 Ushered in a Dramatic Turnaround for Delaware Tourism. Visitors Returned, Spending Rebounded, and Workers Were Rehired.

Top-Line Delaware Tourism Metrics

Tourism Metric	2020	2021	2021-v-2020%
Total Visitation: Person-Trips* <i>(in millions)</i>	24.1	28.3	17.4%
Total Tourism Expenditures <i>(in millions \$\$)</i>	\$4,889	\$6,301	28.9%
Visitor Spending	\$4,495	\$5,861	30.4%
Non-Visitor Expenditures	\$238	\$258	8.1%
Tourism Construction & Investment	\$156	\$182	16.6%
Total Economic Impact	\$3,212	\$4,020	25.2%
Core Tourism (direct)	\$2,486	\$3,162	27.2%
Non-Core Tourism (indirect+investment)	\$726	\$858	18.2%

* Person-Trips (P-Trips) –the number of unique people who travel to a destination. P-Trips counts individuals who have either stayed overnight or traveled more than 50 miles one way on a day trip. It also counts each person in a travel party.

- ✓ Delaware visitation rebounded to a new record of 28.3 million Person-Trips*. This represents a gain of 17% vs. 2020.
- ✓ Rising visitor volume, longer stays, expanding spend-per-trip, and inflation led to a dramatic turnaround in visitor expenditures. At \$5.9 billion in 2021, v-spending rose more than 30% above year-earlier levels.
- ✓ Delaware tourism spending from other sources such as construction and resident spending on outbound trips grew somewhat less robustly. Still, total Non-Visitor Spending added \$258 million more (+8.1%) to Total Tourism Expenditures in the state.
- ✓ Delaware’s economy was able to keep 66¢ of each tourism dollar spent in the state during 2021, up 1¢ from 2020.

Source: Longwoods International, Smith Travel Research, NTTO, Bureau of Economic Analysis, IMPLAN, DE Department of Finance, Rubin Brown, Air DNA, American Gaming Association, Rockport Analytics



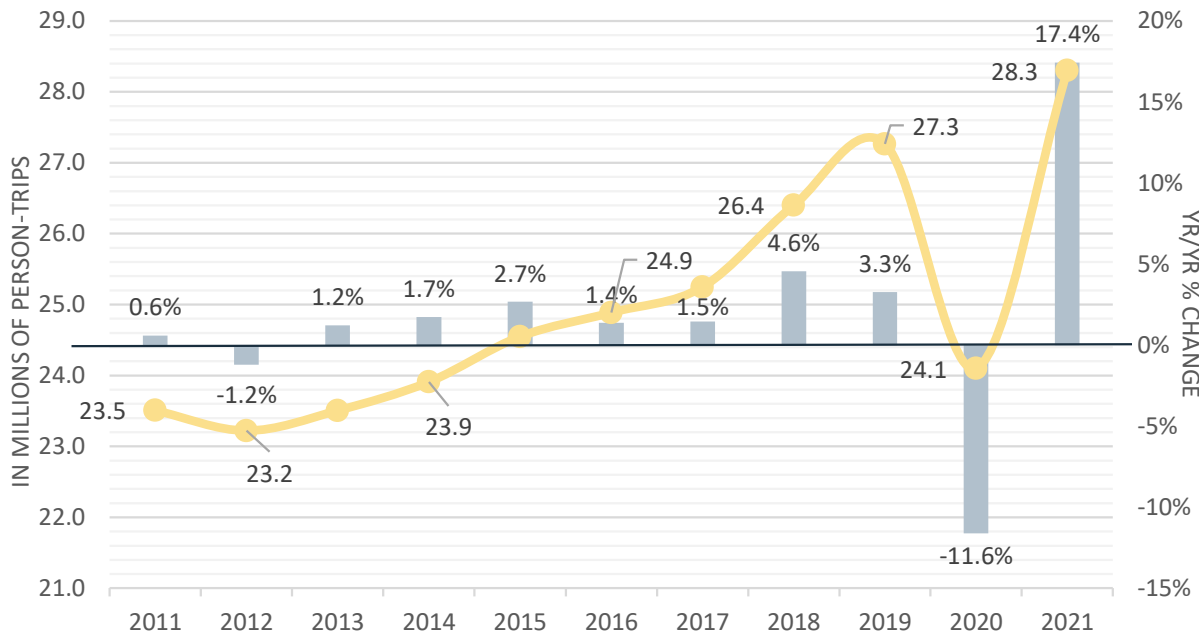


2021 DELAWARE TOURISM INDUSTRY PERFORMANCE

State Tourism Visitation & Spending Performance

2021 Delaware Visitation Snaps Back from Pandemic to Set New Record

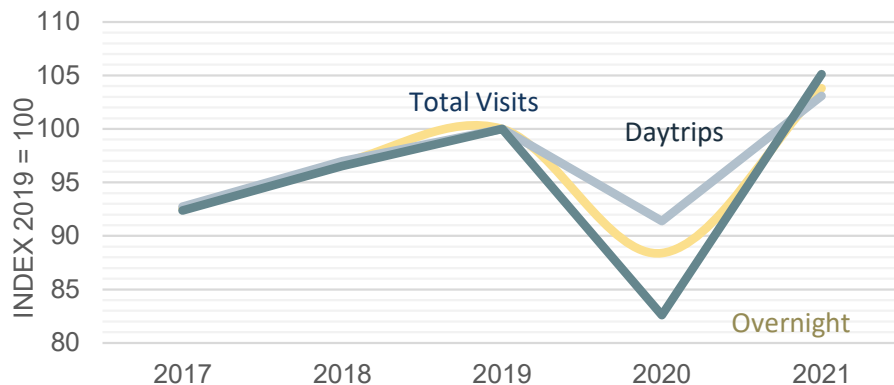
Delaware Visitation Historical Performance



Source: Longwoods International, MMGY Global, Rockport Analytics

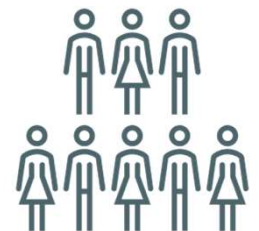
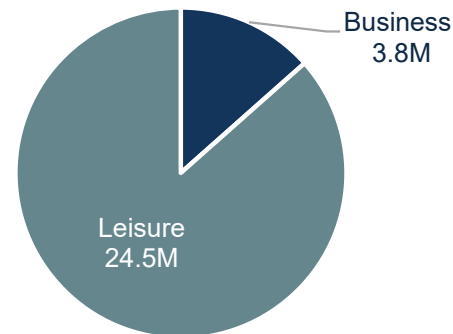
- 2021 Delaware visitation rebounded from a pandemic-challenged 2020 to reach 28.3 million Person-Trips, up more than 17% versus year-earlier results.
- Overnight trips were the primary driver of this outturn, advancing more than 27% vs. 2020 to reach a new record of 9.8 million Person-Trips.
- Daytrip volume advanced by 13% in 2021 to reach 18.5 million P-Trips, also a new record.
- Unfortunately, business trip volume continued to struggle. After a 6% drop in 2020, business trips fell an additional 10% in 2021. Continuing COVID travel concerns and sustained remote working conditions have taken their toll on this trip purpose category.

Both Daytrips and Overnights are Back on Trend



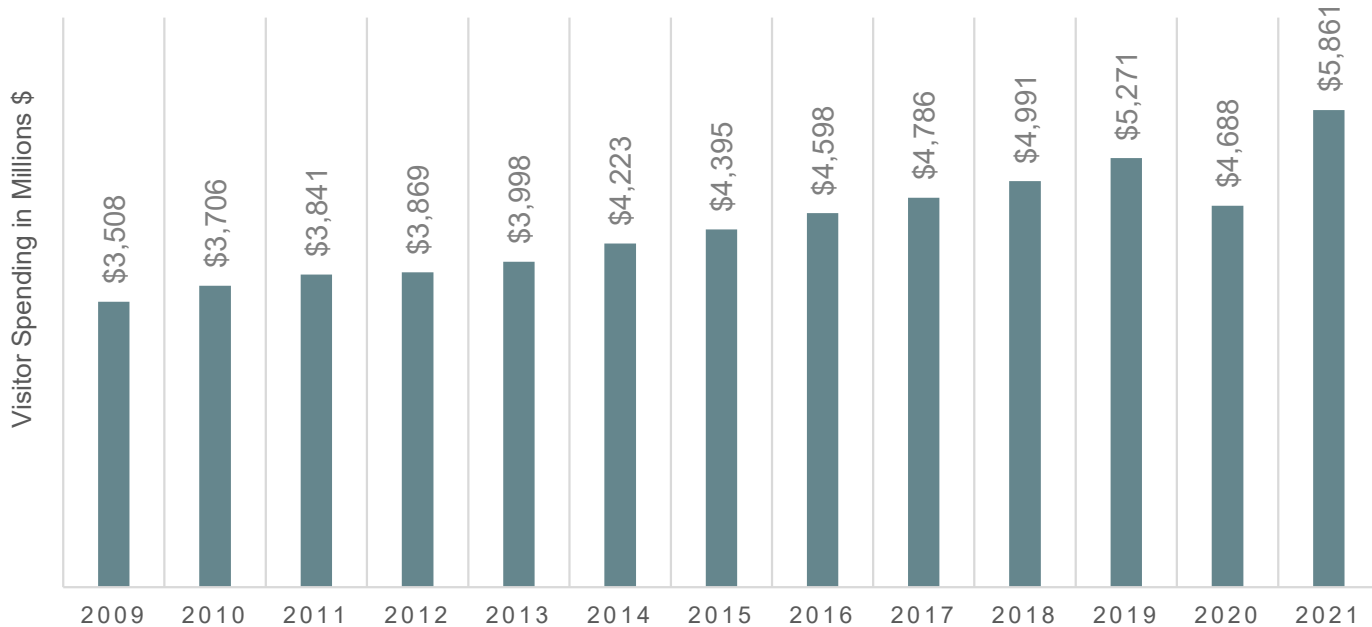
Source: Longwoods International, MMGY Global, Rockport Analytics

Business Trips Comprised 13% Total in 2021



Delaware Visitor Spending

2021 Visitor Spending Tops Previous Record Set in 2019



Average Spend per Visitor

+6.5%

2021: \$207

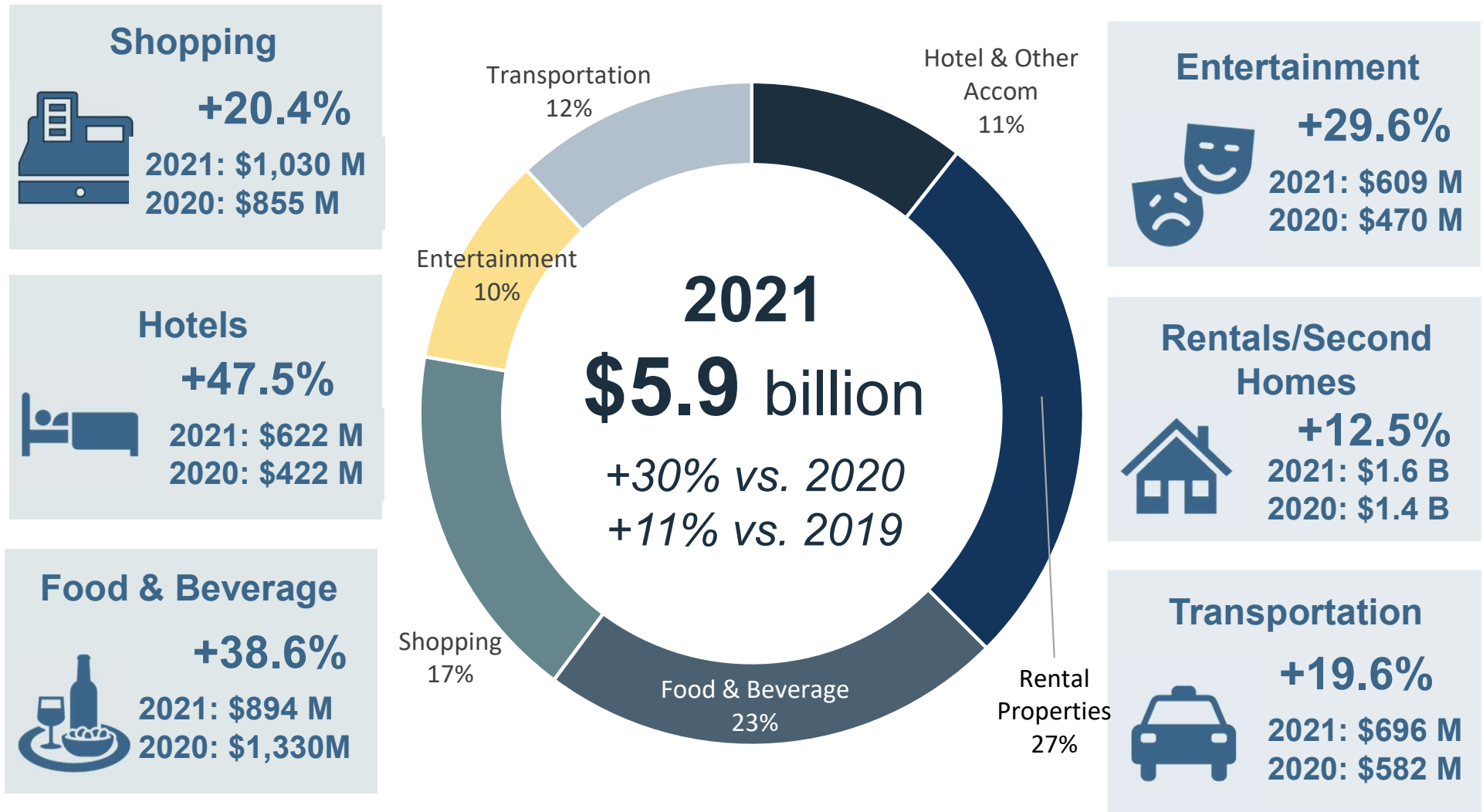
2020: \$195

Source: Longwoods International, NTTO, Reach Market Planning, STR, AirDNA, Rockport Analytics

- Delaware visitor spending rose more than 30% to reach \$5.9 billion in 2021, a new record. Visitors spent an average of \$207 per trip, up 6.5% from year-earlier levels. A shift to more overnight trips, longer stays, more robust trip budgets, and inflation all contributed to this increase.
- Hotel (+48% vs. 2020), food & beverage (+39%), and entertainment/recreation (+30%) led categorical performance.
- 2021 total visitor spending exceeded 2019, the previous high mark, by 11% to set a new Delaware record.

Delaware Visitor Spending Rebounds from the Pandemic

2021 Delaware Visitor Spending by Category

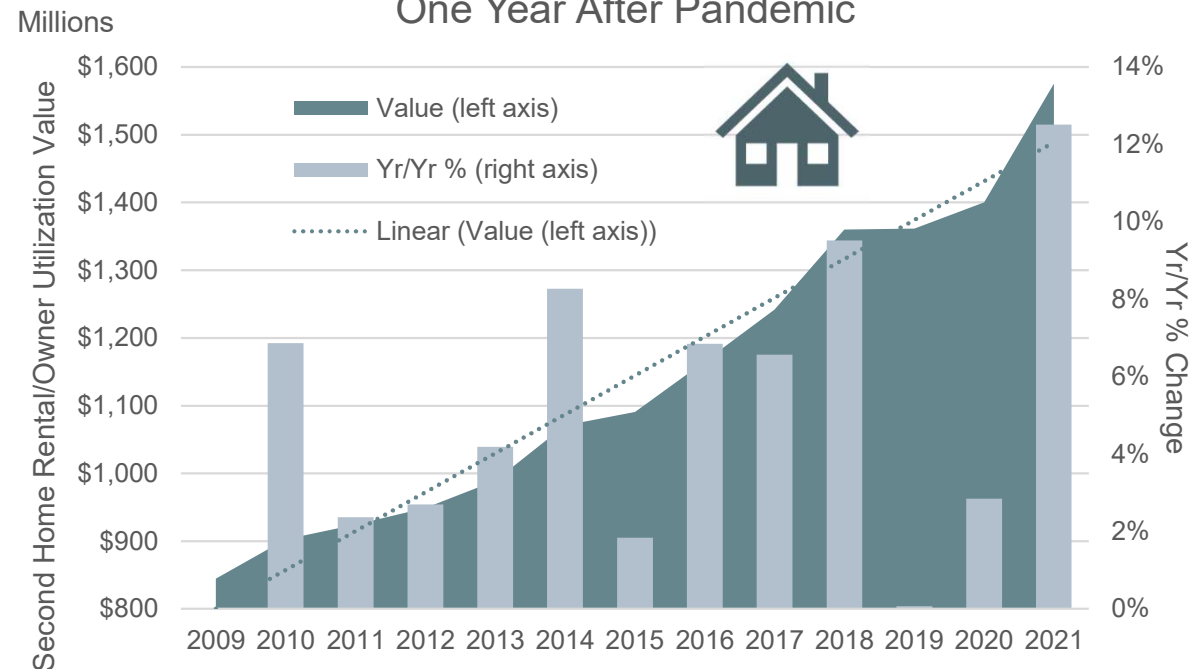


Source: Longwoods International, NTT0, Reach Market Planning, STR, BTS, AirDNA, Rockport Analytics

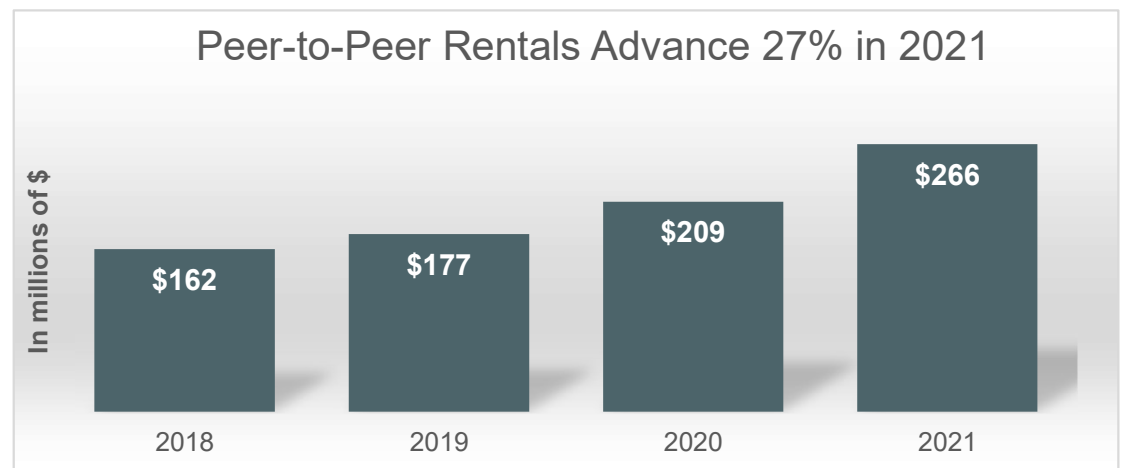
Pandemic Recovery, New Construction Help Seasonal Second Home Rentals & Owner Utilization Advance

- Having held up relatively well during the pandemic, rentals and second home utilization kept pace in 2021. Reaching just short of \$1.6 billion in 2021, this type of lodging rose 12.5% vs. 2020, this after registering a 3% gain the year before.
- Some of this revenue performance came from inflation, however. Rockport estimates rental rates rose about 10% in 2021.
- This category includes actual rentals (peer-to-peer and agencies) plus the owner utilization of second homes.

Rental/Second Home Utilization Returns to Trend One Year After Pandemic



Peer-to-Peer Rentals Advance 27% in 2021



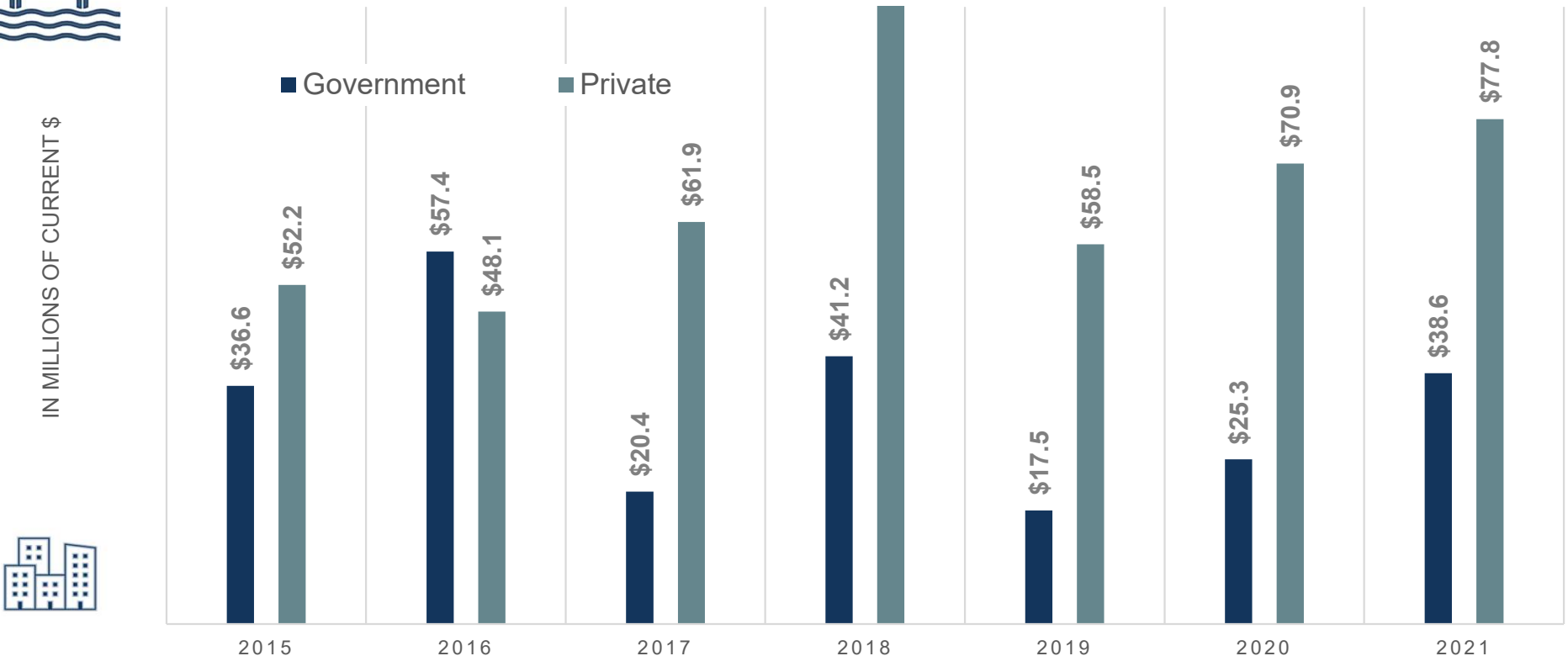
* Includes the imputed rental value of owner-occupied home usage
 Source: U.S. Census Bureau, Bureau of Economic Analysis, Air DNA, Rockport Analytics

Tourism-Initiated Construction Continues to Improve Infrastructure for Visitors and Residents Alike

Tourism's contribution to the Delaware economy includes more than visitor commerce. Revenue, job, wage, and tax benefits also accrue from public and private investments in tourism infrastructure. These investments also benefit Delaware residents. Building hotels, highways, airports, retail, restaurants, parking facilities, and bike trails are but a few examples of this type of contribution.



HOTEL, BRIDGE, AND PARKING CONSTRUCTION DROVE TOURISM INVESTMENT UP 21% IN 2021



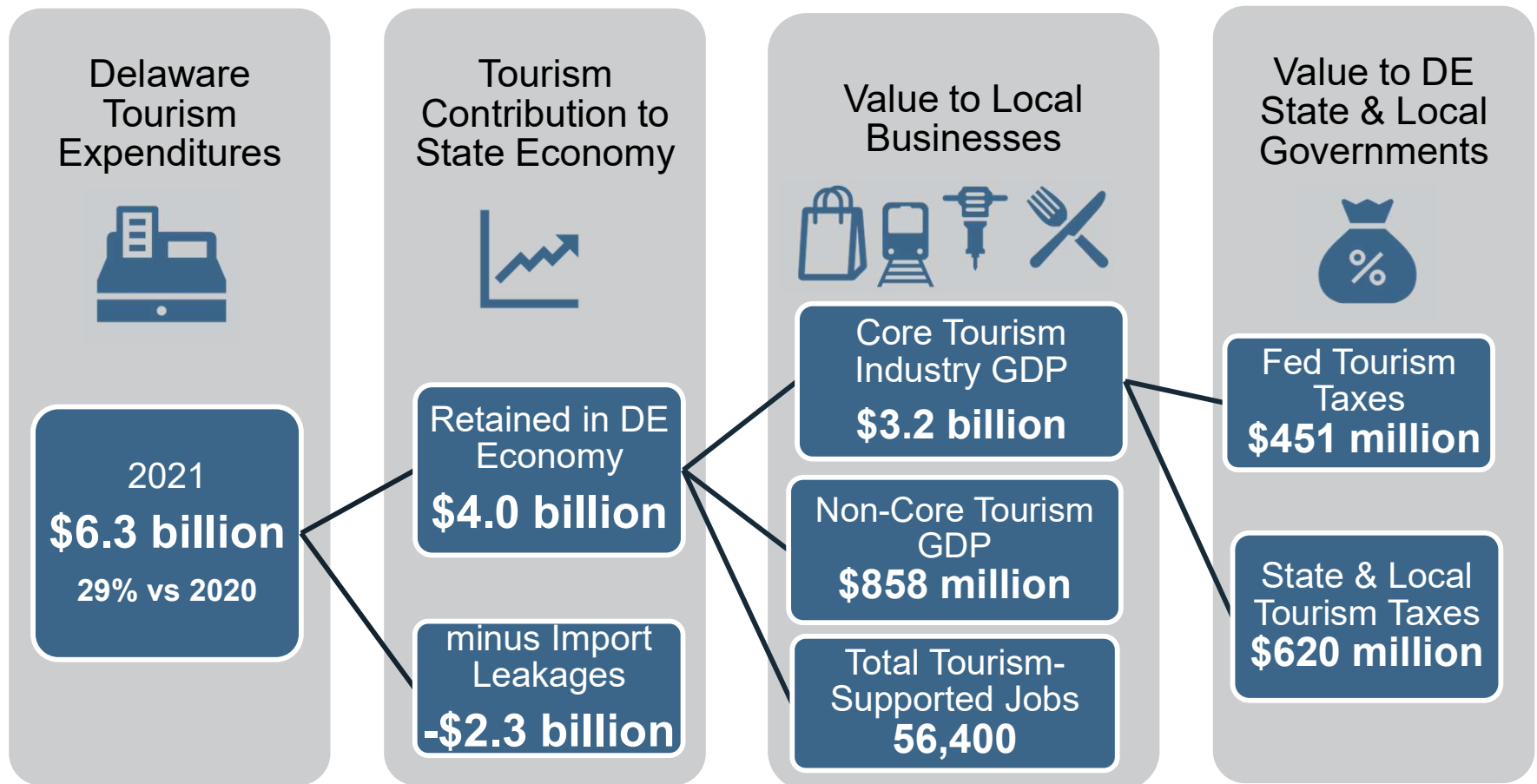
Source: McGraw-Hill Construction, Bureau of Economic Analysis, Rockport Analytics



2021 DELAWARE TOURISM SATELLITE ACCOUNT

State Economic Impact Results

2021 Headline Metrics Show Delaware Tourism Clearly Back on Track



Expenditures include:

- Visitor spending on hotel, F&B, rental homes, shopping, entertainment, etc.
- Delaware resident spending in preparation for outbound trips
- Tourism-oriented investment & construction spending

Delaware retains about 66¢ of every tourism dollar spent in the state

Leakages refer to goods & services that are imported into Delaware from outside due to insufficient local supply

Core Tourism refers to businesses that serve Delaware visitors (e.g. hotels, restaurants,..)

Non-Core Tourism - Delaware businesses in construction, business services, wholesale trade, personal services, etc.

- Sales, hotel, rental car, and food & beverage taxes paid by visitors
- Income, property, and business taxes paid by tourism suppliers and workers

Tourism Leads the State Economy to Recovery From the Pandemic



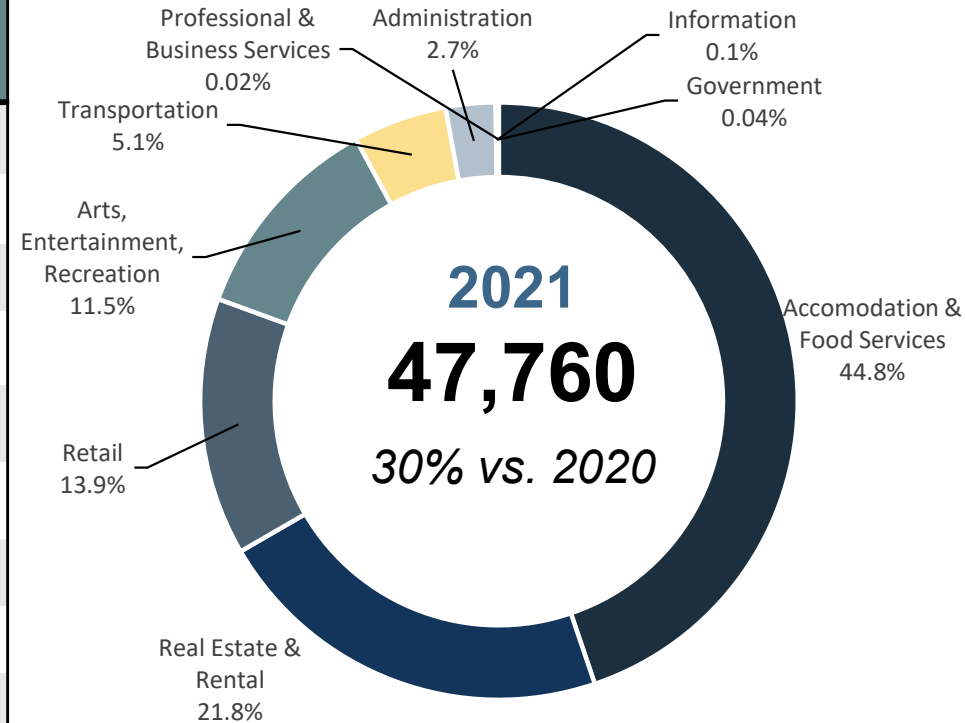
DE Tourism Metric	2021	2020	%
in billions \$ unless otherwise noted			
Tourism Value-Added (Gross State Product)			
Core Tourism	\$3.16	\$2.49	27.2%
Total Impact	\$4.02	\$3.21	25.2%
Tourism-Initiated Wages & Salaries			
Core Tourism	\$1.48	\$1.11	33.6%
Total Impact	\$1.97	\$1.54	28.5%
Tourism-Initiated Jobs (in thousands)			
Core Tourism	47.8	36.9	29.6%
Total Impact	56.4	44.5	26.9%
Tourism-Initiated Taxes – Total Impact (in millions \$)			
Federal	\$450.6	\$354.2	27.2%
State & Local	\$619.9	\$496.7	24.8%
Total Taxes	\$1,070.5	\$850.9	25.8%

- Tourism was responsible for slightly more than 5% of the Delaware economy in 2021 (based on Gross Domestic Product), up from 4.2% the previous year.
- Total Impact adds in the value of the tourism sector's supply chain, as well as tourism construction & investment.
- The Tourism industry's (Core Tourism) average annual wage reached \$31,100 per worker in 2021, up 3.1% versus year-earlier levels. This includes both full and part-time jobs.
- Core Tourism jobs snapped back in 2021 reaching 47,760, up nearly 30% from 2020. Contrast this with total DE employment (all sectors) which advanced 3.1% in that same period.

Tourism Industry Employment Rebounded Dramatically in 2021, Expanding 30%, and Surpassing the Pre-Pandemic Peak

2021 Delaware Core Tourism Jobs by Industry

Rank	NAICS Code/Industry (2-digit)	2021 Jobs	'21/'20 %
1	72 Accommodation & Food Services	21,390	+48.2%
2	53 Real Estate & Rental	10,420	+9.4%
3	44-45 Retail trade	6,660	+25.3%
4	71 Arts- Entertainment & Recreation	5,490	+28.6%
5	48-49 Transportation & Warehousing	2,430	+21.0%
6	56 Administrative Services	1,290	+4.9%
7	51 Information	50	+8.4%
8	92 Government	20	-8.7%
9	54 Professional- Scientific & Tech Services	10	+7.6%
Total Delaware Core Tourism		47,760	+29.6%



Source: Rockport Analytics, IMPLAN, Bureau of Economic Analysis

- Much of Core Tourism’s employment rebound has centered on the hotel, restaurant, and entertainment/recreation sectors, the very industries that suffered most during the pandemic.
- Delaware gained a total of 17,065 jobs across all industries in 2021, a 3% gain in total nonfarm employment. Core Tourism was responsible for 64% (+10,900) of those gains. Tourism’s large share speaks both to the disproportionate impact of the pandemic on the sectors that serve visitors, as well as the speed and strength of their recovery.

Statewide Tourism Jobs Rise Nearly 30% to Regain 4th Place Among Delaware Private Sector Employers

R	Delaware Industry (2-digit NAICS Definition)	A 2021 Tourism- Initiated Employment	B 2021 BEA Reported Employment	C 2021 Employment Tourism- Removed	D 2021-v-2020 % Change
1	62 Health & Social Services	-	76,831	76,831	-0.6%
2	52 Finance & Insurance	-	67,516	67,516	2.4%
3	44-45 Retail Trade	6,662	60,565	53,903	4.3%
4	Core Tourism Industry	47,759	-	47,759	29.6%
5	54 Professional, Scientific & Tech	8	38,319	38,311	1.0%
6	56 Administrative Services	1,293	36,665	35,372	3.5%
7	23 Construction	-	34,770	34,770	3.8%
8	48-49 Transportation & Warehousing	2,430	32,623	30,193	10.7%
9	81 Other Services	-	27,143	27,143	2.0%
10	31-33 Manufacturing	-	26,584	26,584	-2.1%
11	53 Real Estate & Rental	10,423	32,315	21,892	2.9%
12	72 Accommodation & Food Services	21,393	41,483	20,090	11.5%
13	42 Wholesale Trade	-	12,892	12,892	3.1%
14	55 Management of Companies	-	11,456	11,456	1.5%
15	61 Educational Svcs	-	8,972	8,972	2.9%
16	71 Arts, Entertainment & Rec	5,486	13,417	7,931	4.4%
17	51 Information	47	5,394	5,347	-1.3%
18	22 Utilities	-	2,188	2,188	0.8%
19	11 Ag, Forestry, Fish & Hunting	-	1,059	1,059	-7.8%
20	21 Mining	-	265	265	-4.7%
	Total Delaware	47,760	606,029	606,029	2.9%

Column Definitions:

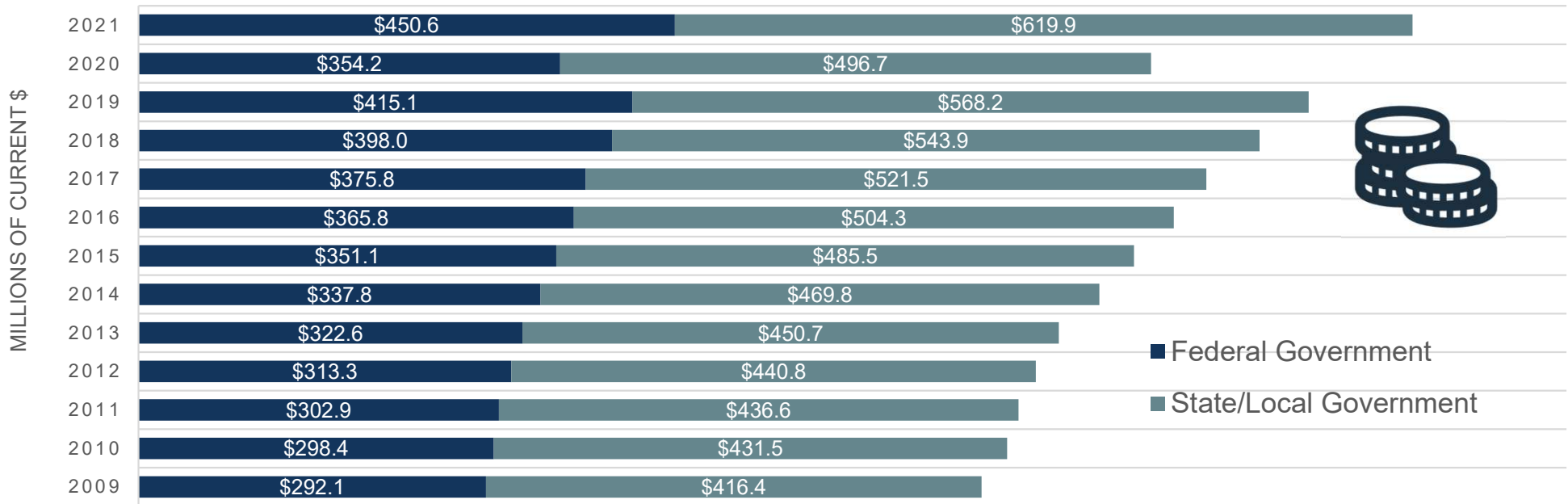
- A. Tourism's contribution to each industry
- B. Reported employment from the BEA
- C. For a more accurate ranking, tourism's contribution to each industry (Column A) has been removed and placed in "Core Tourism Industry"
- D. Employment growth vs Last Year

Table Source: Bureau of Economic Analysis, Rockport Analytics. Includes full and part-time jobs.

Rows do not sum to Total due to additional industries not listed

Tourism Taxes Break Through the \$1 Billion Mark for the First Time

TOURISM-INITIATED TAXES REGAIN PANDEMIC LOSSES AND MORE

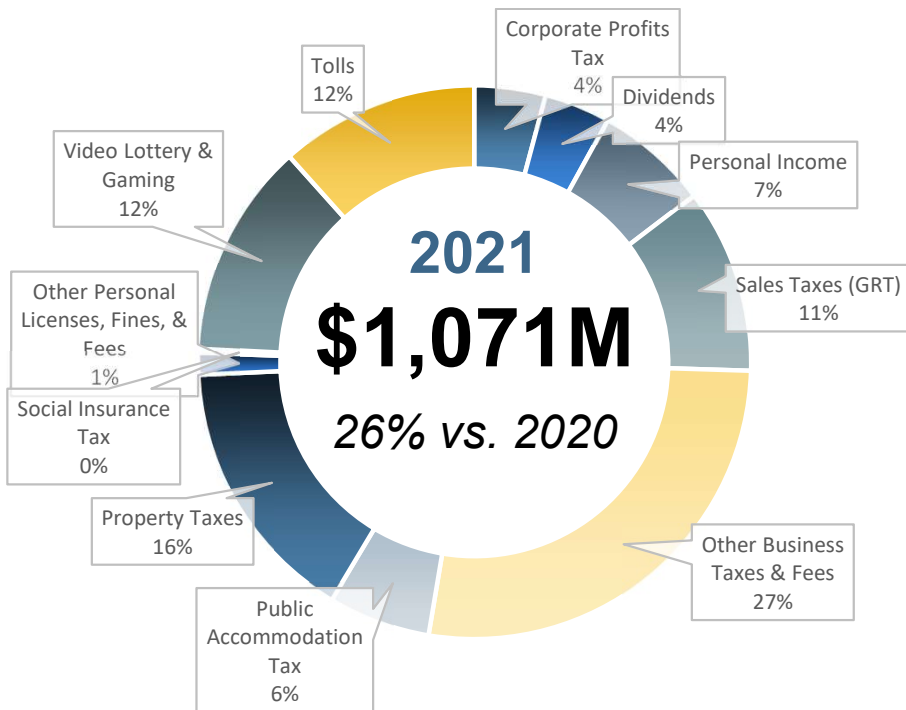


Source: Delaware Departments of Revenue and Transportation, IMPLAN, Rockport Analytics

- The pandemic reduced Delaware tourism-initiated taxes by -13% or \$132 million in 2020 (vs. 2019). With the strong rebound in tourism spending in 2021, tax collections erased this loss and added \$88 million more to reach a new record of \$1.07 billion.
- **Without visitors and tourism, each of Delaware’s 381,000+ households would have to pay \$1,608 more in taxes in order to maintain current levels of state & local receipts.**
- Visitors continue to be vital to the Delaware economy and its residents, businesses, and governments. Delaware Tourism contributes 5% of Delaware’s Gross Domestic Product, about 8% of its private sector jobs, and about 11% of state & local tax receipts.

Tourism-Initiated Taxes Rebound from Pandemic-Constrained 2020 to Cross the \$1 Billion Mark

- Tourism-initiated taxes sharply rebounded from 2020 and broke through the \$1 billion level for the first time. At \$1.07 billion, tourism tax collections advanced by nearly 26%.
- State & Local tax receipts, led by PAT, Gaming, Income, and GRT levies, reached \$620 million, an increase of 25% vs. 2020.
- PAT collections bounced back in 2021 rising to \$37 million. A dramatic increase in hotel activity was responsible for most of these gains, but the introduction (NC) and reintroduction (Sussex) of 3% supplemental levies also added to statewide collections.



DE Tourism-Initiated Taxes by Tax Type

Tax / Fee Type	2020 Total (million\$)	2021 Total (million\$)	% Change
Federal Government	\$354.2	\$450.6	27.2%
Corporate Taxes	\$104.0	\$128.4	23.5%
Personal Income Tax	\$83.4	\$107.1	28.4%
Social Insurance Tax	\$166.9	\$215.0	28.9%
State/Local Government	\$496.7	\$619.9	24.8%
Corporate Profits Tax	\$21.4	\$25.8	20.7%
Dividends	\$19.9	\$24.0	20.7%
Personal Income	\$32.0	\$41.1	28.4%
Sales Taxes (GRT)	\$53.2	\$67.1	26.1%
Other Business Taxes & Fees	\$150.1	\$172.8	15.1%
Public Accommodation Tax	\$20.1	\$37.0	83.1%
State	\$16.8	\$28.5	69.5%
NC & Sussex Supplement	\$3.3	\$8.4	158.4%
Property Taxes	\$77.0	\$97.2	26.2%
Other Personal Licenses, Fines, & Fees	\$6.1	\$7.8	28.4%
Social Insurance Tax	\$1.2	\$1.6	29.2%
Video Lottery & Gaming	\$54.8	\$77.8	42.0%
Tolls	\$61.5	\$72.2	17.4%
Grand Total	\$850.9	\$1,070.5	25.8%

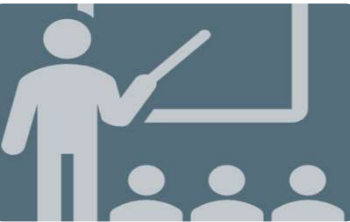
Source: Rockport Analytics, IMPLAN, Delaware Department of Revenue & Transportation

Why Do Visitors Matter? Putting Tourism in Perspective



Promoting Job Growth in Delaware

- DE Tourism Jobs advanced nearly 30% in 2021 to reach 47,760 surpassing the previous peak (2019)
- DE Tourism was responsible for 64% of the new jobs created across the state in 2021.
- The average wage of both full- and part-time workers supported by tourism activity was \$36,657 in 2021, up more than 6% from 2020.



Contributing to Public Education & Other Government Services

- Tourism-supported state & local taxes were enough to educate more than 36,470 Delaware public school students –about 26% of K-12 enrollment. It takes just over 776 DE visitors to pay for a public-school student.*
- Every 2,975 visitors generate the S&L taxes necessary to underwrite a DE public school teacher. Collections were sufficient to cover 97% of 2021 DE public school teacher salaries.*



Helping to Relieve the Tax Burden of Delaware Households

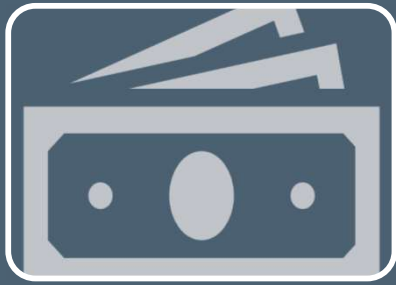
- If visitors did not come to DE, each of the state's 386 thousand households would have to pay \$1,608 more in state and local taxes to maintain current levels of receipts.**
- Tourism was responsible for 11% of Delaware's 2021 state and local tax collections.
- About 11¢ of each visitor dollar went towards paying DE state and local taxes.



Benefiting Delaware Businesses

- Visitors spent more than \$5.9 billion in travel-related categories across Delaware in 2021, a new record.
- Delaware businesses that directly served visitors (Core Tourism) contributed more than \$3.2 billion to state Gross Domestic Product (GDP), up 27% from 2020.
- Meanwhile, tourism supply chain and downstream businesses added another \$860 million in GDP to the Delaware economy.

Why Do Visitors Matter? Putting Tourism in Perspective (cont.)



Capturing and Retaining Dollars Spent by Visitors

- For every \$1 spent by Delaware visitors, the state's economy retained about 66 cents. This is primarily a reflection of the diversity of the Delaware economy.
- Just under \$2 billion was paid to Delaware workers from tourism activity in 2021, up almost 29% from 2020. This amounts to about 32¢ of each visitor dollar spent in the state.
- Tourism was responsible for 5% of Delaware's \$8.1 billion Gross Domestic Product in 2021. This is up from 4.2% in 2020, a new record for tourism's contribution to the state's economy.



Providing Tax Revenue to Support State & Local Government

- Tourism was responsible for \$620 million in Delaware state and local taxes in 2021, up markedly from 2020's \$497 million. This was about 11% of all DE state and local tax collections.
- Tourism tax receipts were sufficient to cover the salaries of 14,600 DE police officers or 9,500 public school teachers.***
- Public Accommodation Taxes advanced more than 83% in 2021 to reach \$37 million. This was due mostly to a post-pandemic rebound in hotel activity (+71%) but new levies in Sussex and New Castle counties added another \$8.4 million.



*Estimate based on the average cost per student of \$16,997, the average salary of a teacher of \$65,141, and Fall enrollment in DE public schools of 138,414. Education figures reported by NEA's 2021 State Rankings.

**Household estimate generated by the US Census









***US Bureau of Labor Statistics, US Bureau of the Census, Ziprecruiter.com



2021 DELAWARE TOURISM SATELLITE ACCOUNT

Tourism Performance and Impact By County

2021 County Tourism Summary

Tourism Metric		Kent County	New Castle County	Sussex County	DE Total
2021 in millions of dollars except employment					
Tourism Expenditures*		\$724.4	\$2,665.7	\$2,726.5	\$6,116.6
Visitor Volume** (in millions of Person-Trips)		9.2	11.5	7.6	28.3
Visitor Spending		\$677.6	\$2,520.3	\$2,663.5	\$5,861.5
Core Tourism GDP (Value-Added)		\$333.0	\$1,278.6	\$1,531.3	\$3,142.9
Core Tourism Employment		5,440	18,770	23,550	47,760
Core Tourism Wages		\$199.2	\$797.4	\$467.5	\$1,464.1
Tourism-Initiated Taxes					
Federal		\$45.4	\$237.5	\$167.6	\$450.6
State & Local		\$76.4	\$285.2	\$258.2	\$619.9

* Includes visitor spending plus resident spending on outbound trips. Excludes tourism construction & investment.

** Source: Longwoods International. Source: Rockport Analytics, IMPLAN, Bureau of Economic Analysis, Longwoods International, DE Department of Revenue

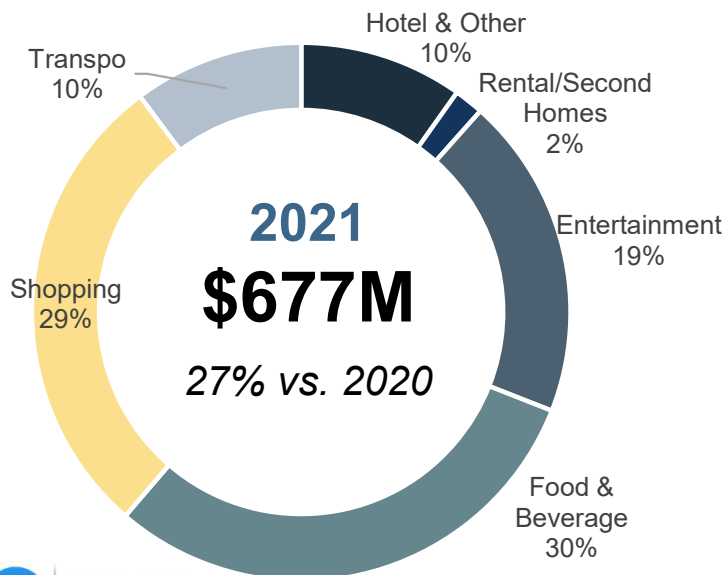
2021 Visitor Spending by County

2021	Kent	New Castle	Sussex	Total DE	Yr/Yr %
Accommodation		<i>in millions of \$</i>			
Hotel & Other	\$112.0	\$240.0	\$270.1	\$622.1	47.5%
Rental/Second Homes	\$12.3	\$21.9	\$1,541.1	\$1,575.3	12.5%
Entertainment	\$127.6	\$361.2	\$119.8	\$608.5	29.6%
Food & Beverage	\$188.5	\$720.0	\$421.1	\$1,329.6	38.6%
Shopping	\$176.6	\$655.8	\$274.8	\$1,107.2	20.4%
Transpo	\$60.6	\$521.5	\$36.6	\$618.8	19.4%
Total	\$677.6	\$2,520.3	\$2,663.5	\$5,861.5	25.0%
Yr/Yr %	27.4%	26.2%	23.3%	25.0%	

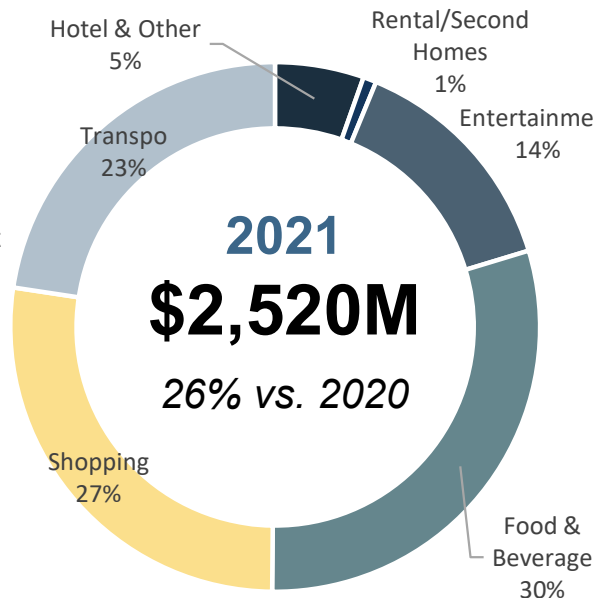
* Transportation excludes trip spending that took place outside of Delaware (e.g. air fare)

County Trip Spending Shares reflect differences in location, trip purpose, length of stay, attractions:

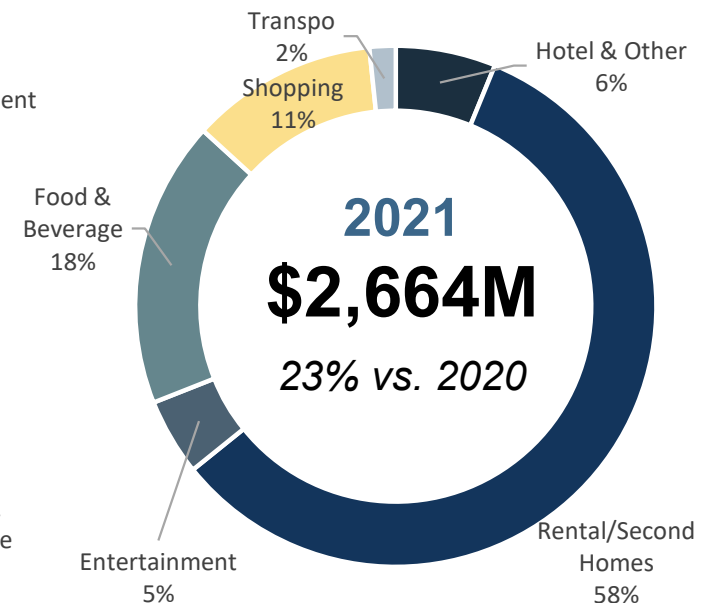
Category Shares: Kent County



Category Shares: New Castle



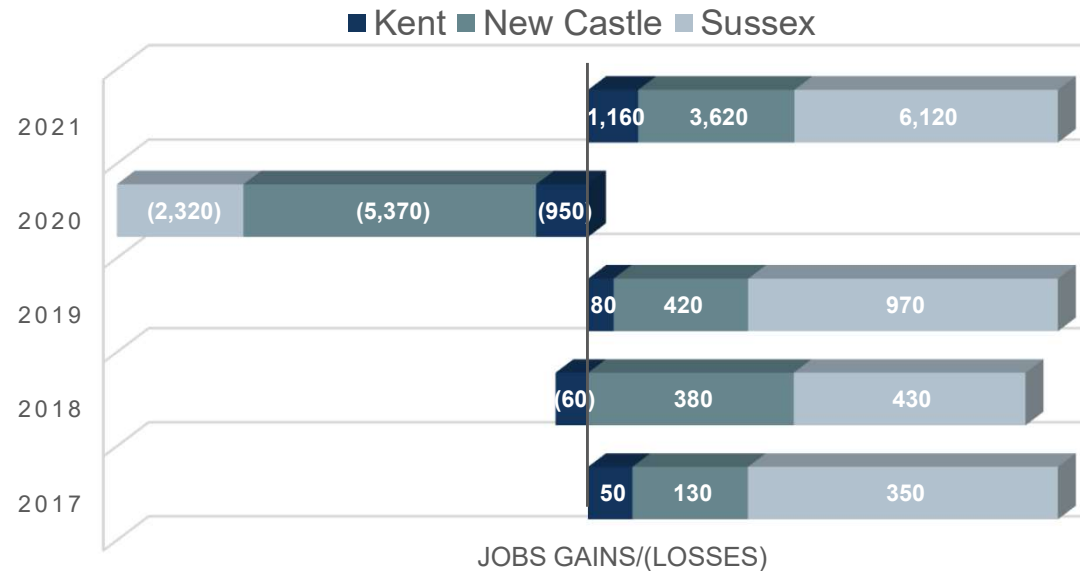
Category Shares: Sussex



Core Tourism Jobs Shrug Off Pandemic to Advance by Nearly 30% Statewide, Surpass Previous 2019 Peak

Core Tourism Jobs by County	2020	2021	% Change 20v19
Kent	4,280	5,440	27.3%
New Castle	15,150	18,770	23.9%
Sussex	17,430	23,550	35.1%
Total Delaware Tourism	36,860	47,760	29.6%

Sharp Bounce-Back in Core Tourism Jobs in All Counties



- Core Tourism refers to jobs with firms that directly touch Delaware visitors. This definition is consistent with reported employment in other industries across the state.
- According to the Bureau of Economic Analysis, total Delaware nonfarm employment (all industries, full & part-time) rose to 606,029 in 2021, representing a recovery from the previous year of 17,065 net new jobs (+2.9%). Tourism was responsible for 10,900 of those jobs (64%), reflecting both the speed and robustness of the industry’s recovery in the state.
- Sussex led the way with tourism jobs gains of 6,120 (+35%), followed by NC with 3,620 (+24%) and Kent County adding 1,160 more (+27%).

Tourism Employment Advances 35% in 2021 to Retain #1 Employer Status in Sussex

		A	B	C	D
R	Sussex Industry (2-digit NAICS Definition)	2021 Tourism- Initiated Employment	2021 Reported Employment	2021 Employment Tourism- Removed	2021-v-2020 % Change
1	Core Tourism Industry	23,545	-	23,545	35.1%
2	62 Health & Social Services	-	14,176	14,176	-0.1%
3	44-45 Retail Trade	2,263	15,132	12,869	4.8%
4	23 Construction	-	10,592	10,592	5.8%
5	31-33 Manufacturing	-	9,815	9,815	-4.1%
6	56 Administrative Services	584	8,858	8,274	9.2%
7	81 Other Services	-	6,842	6,842	2.8%
8	52 Finance & Insurance	-	6,513	6,513	7.7%
9	54 Professional, Scientific & Tech Services	-	5,891	5,891	6.1%
10	48-49 Transportation & Warehousing	229	3,505	3,276	7.7%
11	72 Accommodation & Food	10,260	13,455	3,195	19.1%
12	42 Wholesale Trade	-	2,249	2,249	-0.3%
13	53 Real Estate & Rental	8,098	9,257	1,159	3.0%
14	51 Information	13	983	970	5.6%
15	71 Arts, Entertainment & Rec	2,099	3,019	920	21.0%
	Total Sussex County		123,119	123,119	5.0%

Column Definitions:

- A. Tourism's contribution to each industry
- B. Reported employment from the Bureau of Economic Analysis
- C. For a more accurate ranking, we have removed tourism's contribution to each industry and placed it in "Core Tourism Industry"
- D. Employment growth

Rows do not sum to Total due to additional industries not listed

Source: BEA, BLS, Rockport Analytics

Kent Tourism Jobs Rebound to Advance Industry to the 5th Largest Private Employer in the County

Column Definitions:

A. Tourism’s contribution to each industry

B. Reported employment from the Bureau of Economic Analysis

C. For a more accurate ranking, we have removed tourism’s contribution to each industry and placed it in “Core Tourism Industry”

D. Employment growth

Rows do not sum to Total due to additional industries not listed

(D) Indicates disclosure restrictions on reporting employment

Source: BEA, BLS, Rockport Analytics

		A	B	C	D
R	Kent Industry (2-digit NAICS Definition)	2021 Tourism- Initiated Employment	2021 Reported Employment	2021 Employment Tourism- Removed	2021-v- 2020 % Change
1	62 Health & Social Services	-	11,109	11,109	0.5%
2	44-45 Retail Trade	899	11,045	10,146	4.3%
3	52 Finance & Insurance	-	5,630	5,630	8.9%
4	31-33 Manufacturing	-	5,476	5,476	4.7%
5	Core Tourism Industry	5,445	-	5,445	27.3%
6	56 Administrative & Waste Services	252	5,066	4,814	4.3%
7	23 Construction	-	4,745	4,745	3.7%
8	81 Other Services	218	4,790	4,572	6.1%
9	53 Real Estate & Rental	-	4,405	4,405	0.7%
10	54 Professional, Scientific & Tech Services	80	4,152	4,072	4.1%
11	48-49 Transportation & Warehousing	-	3,798	3,798	5.9%
12	72 Accommodation & Food Services	2,904	6,215	3,311	8.7%
13	42 Wholesale Trade	-	1,545	1,545	2.6%
14	55 Management of Companies	-	877	877	-0.1%
15	71 Arts, Entertainment & Recreation	1,083	1,936	853	-0.3%
	Total Kent County		96,697	96,697	2.8%

Tourism Employment Bounces Back to Propel the Sector to the 7th Largest Private Employer in New Castle County, Up 2 Positions from 2020

		A	B	C	D
R	New Castle Industry (2-digit NAICS Definition)	2021 Tourism- Initiated Employment	2021 Reported Employment	2021 Employment Tourism- Removed	2021-v-2020 % Change
1	52 Finance & Insurance	-	55,373	55,373	1.2%
2	62 Health & Social Services	-	51,546	51,546	-1.0%
3	44-45 Retail Trade	3,500	34,388	30,888	4.1%
4	48-49 Transportation & Warehousing	1,798	24,354	22,556	12.2%
5	56 Administrative & Waste Services	655	22,741	22,086	1.2%
6	23 Construction	-	19,433	19,433	2.7%
7	Core Tourism Industry	18,769	-	18,769	23.9%
8	53 Real Estate & Rental	485	18,906	18,421	2.6%
9	81 Other Services	-	15,896	15,896	2.0%
10	31-33 Manufacturing	-	13,517	13,517	5.4%
11	72 Accommodation & Food Services	9,390	21,813	12,423	9.6%
12	55 Management of Companies	-	10,062	10,062	1.5%
13	42 Wholesale Trade	-	8,980	8,980	2.7%
14	61 Educational Services	-	7,337	7,337	4.7%
15	71 Arts, Entertainment & Recreation	2,917	8,462	5,545	4.0%
	Total New Castle County		386,213	386,213	2.4%

Column Definitions:

- A. Tourism's contribution to each industry
- B. Reported employment from the Bureau of Economic Analysis
- C. For a more accurate ranking, we have removed tourism's contribution to each industry and placed it in "Core Tourism Industry"
- D. Employment growth

Rows do not sum to Total due to additional industries not listed

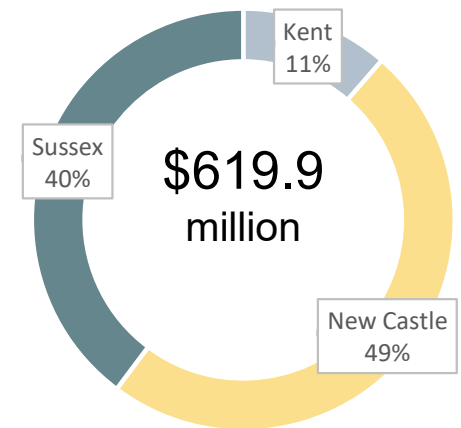
Source: BEA, BLS, Rockport Analytics

2021 Tourism-Initiated Taxes Recover to Advance 26%

Tax / Fee Type	Kent County	New Castle County	Sussex County	Delaware Total
	2021 Total (million\$)			
Federal Government	\$45.4	\$237.5	\$167.6	\$450.6
Corporate Taxes	\$12.9	\$54.7	\$60.8	\$128.4
Personal Income Tax	\$9.4	\$66.7	\$30.9	\$107.1
Social Insurance Tax	\$23.1	\$116.1	\$75.9	\$215.0
State/Local Government	\$76.4	\$285.2	\$258.2	\$619.9
Corporate Profits Tax	\$2.1	\$9.5	\$14.2	\$25.8
Dividends	\$2.0	\$8.8	\$13.2	\$24.0
Personal Income	\$3.9	\$24.5	\$12.7	\$41.1
Sales Taxes (GRT)	\$6.7	\$27.5	\$32.9	\$67.1
Other Business Taxes, Licenses & Fees	\$2.4	\$57.7	\$108.2	\$168.3
Public Accommodation Tax*	\$5.2	\$15.0	\$16.8	\$37.0
Property Taxes	\$9.8	\$39.9	\$47.5	\$97.2
Other Personal Licenses, Fines, & Fees	\$0.6	\$3.7	\$3.5	\$7.8
Social Insurance Tax	\$0.4	\$0.7	\$0.5	\$1.6
Video Lottery & Gaming	\$22.4	\$46.7	\$8.8	\$77.8
Tolls	\$20.9	\$51.3	\$0.0	\$72.2
Grand Total	\$121.9	\$522.8	\$425.8	\$1,070.5
% Change vs 2020	31.5%	27.6%	22.2%	25.8%
% Change vs 2019	8.9%	4.2%	15.2%	8.9%

- Public Accommodation Taxes advanced more than 83% in 2021 across the state. This was due mostly to a post-pandemic rebound in hotel activity (+71%) but new levies in Sussex and New Castle counties added another \$8.4 million.
- Sussex PAT collections totaled \$16.8 million (+148%) in 2021, helping to propel total county tourism-initiated up by 22% vs. 2020 and 15% vs. 2019.
- New Castle County PAT collections, at \$15 million in 2021 grew “only” 49%. NC County is more dependent upon business travel, a lagging component of visitation.

2021 State & Local Tax Shares of State



* Includes new supplemental 3% PAT in New Castle and Sussex Counties.

Source: Rockport Analytics, IMPLAN, Bureau of Economic Analysis, Longwoods International, DE Department of Revenue



2020 DELAWARE TOURISM SATELLITE ACCOUNT

Methodology & Glossary

Appendix: Methodology Tourism Satellite Accounting (TSA)

- The Tourism Satellite Account is an international (UN/WTO, OECD) standard for measuring the contribution of tourism to an economy consistent with the system of national accounts (SNA).
- Measuring tourism is difficult:
 - Tourism ‘industry’ is not measured in standard economic accounting systems.
 - Most industries are accounted via the supply-side: firms are categorized into NAICS codes and asked about jobs, revenues, costs.
 - But ‘tourism’ is a demand-side activity: the focus is on what the visitor buys before and during a trip. Tourism, therefore, touches many industries.
- TSA includes tourism spending from all sources including visitors, government support, construction & investment, and resident spending prior to outbound travel.

Appendix: TSA Definitions

Visitor: Any overnight stay or a daytrip of greater than 50 miles (one-way), non-commuting.

Resident Tourism: Outbound purchases made in advance of a trip only (e.g. suitcase purchase). Resident usage of DE tourism assets are not included.

Jurisdiction/Destination: The First State

Tourism Spending: A TSA concept, includes all spending by all constituents on travel made in the Delaware.

Visitor Spending: Spending in Delaware by visitors on accommodations, food & beverage, shopping, transportation, and entertainment.

Total Economic Impact: “GDP” definition...spending less value of supply chain purchases made outside DE. The amount retained in the DE economy. Also referred to as Value-Added.

Import Leakages: The value of supply chain purchases made outside of DE.

Direct Spending/Jobs/Wages/Taxes: Made with businesses/industries that “touch” the visitor (e.g., hotels, restaurants, museums,...)

Indirect Spending/Jobs/Wages/Taxes: Made with businesses/industries that supply companies that touch the visitor (e.g. food distributor).

Core Jobs/Wages/Value-Added: A definition of the tourism industry that is comparable to other Delaware industry sectors –includes only the direct effect.

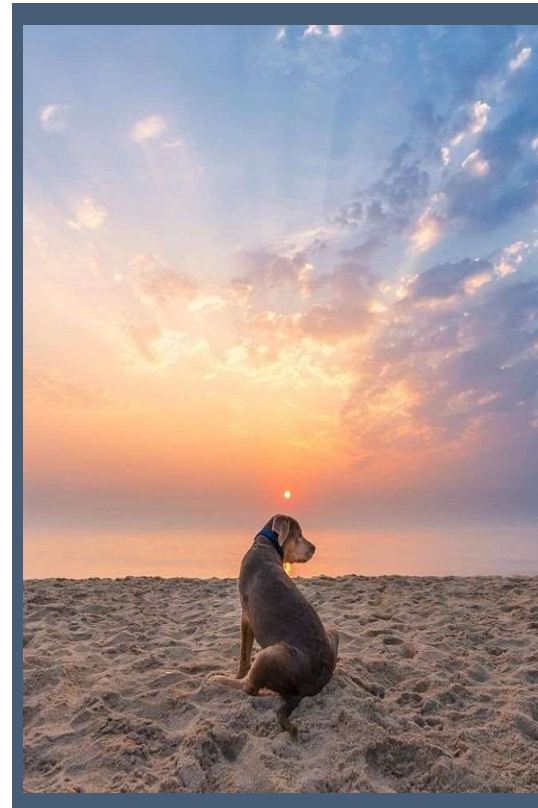
Non-Core Jobs/Wages/Value-Added: includes other forms of tourism-initiated economic activity including construction & investment, and indirect (or supply chain purchases).

About Rockport Analytics

Rockport Analytics is a research and analytical consulting firm providing high quality quantitative and qualitative research solutions to business, government, and non-profit organization clients across the globe. We provide fast, nimble service in a completely transparent environment.

Capabilities include:

- Market Analysis and Forecasting
- Economic Impact Assessment, Tourism Satellite Accounting, and Economic Development
- Market Modeling and Decision Support Tools
- Project Feasibility Assessment
- Primary and Secondary Research Synthesis
- Stakeholder Surveys – internal & external



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