

12 TOURISM IMPACTS

Introduction: In 2004 Ohio was ranked as the seventh most visited state in the U.S. (See Exhibit 12.1) using data on domestic (including in-state) tourists.

Exhibit 12.1: Top U.S. States Ranked by Visits¹⁰⁶

Top U.S. States of Destination Traveling Residents for 2004 (Among person-trips)	
Rank	State
1	California
2	Florida
3	Texas
4	New York
5	Pennsylvania
6	Illinois
7	Ohio
8	North Carolina
9	Georgia
10	Virginia

Although tourism is not distinguished as a separate industry within the North American Industry Classification System (NAICS)¹⁰⁷, research done by Smith¹⁰⁸ resulted in identification of tourism industries at the 4-digit NAICS code level. A detailed statistical analysis that was performed using this methodology and data from the Bureau of Economic Analysis and Longwoods International Study¹⁰⁹ shows that the economic impact of Ohio tourist industry is highly significant. In 2005 more than 560 thousand people (or 8% of the total state industrial employment) were employed in Ohio's travel and tourism industry. This made tourism the fourth largest industry in the Ohio state. Analysis of Ohio Gross Domestic Product¹¹⁰ shows that tourism generates more than \$31 billion for Ohio's economy being the third largest industry in the state in terms of the State Gross Domestic Product. In Ohio

¹⁰⁶ Domestic Travel Fast Facts (Source: Travel Industry Association of America. Travelscope® http://www.tia.org/pressmedia/domestic_spending.html)

¹⁰⁷ North American Industry Classification System (NAICS) is used by the statistical agencies of the United States. NAICS was developed jointly by the U.S., Canada, and Mexico to provide comparability in statistics about business activity across North America. NAICS was adopted in 1997 and replaced 1987 Standard Industrial Classification (SIC). See for more details: <http://www.census.gov/epcd/www/naics.html>

¹⁰⁸ See: Smith, Stephen. How Big, How Many? Enterprise Size Distributions in Tourism and Other Industries. Journal of Travel Research, Vol. 45, August 2006, pp. 53-54. <http://jtr.sagepub.com/cgi/reprint/45/1/53.pdf>

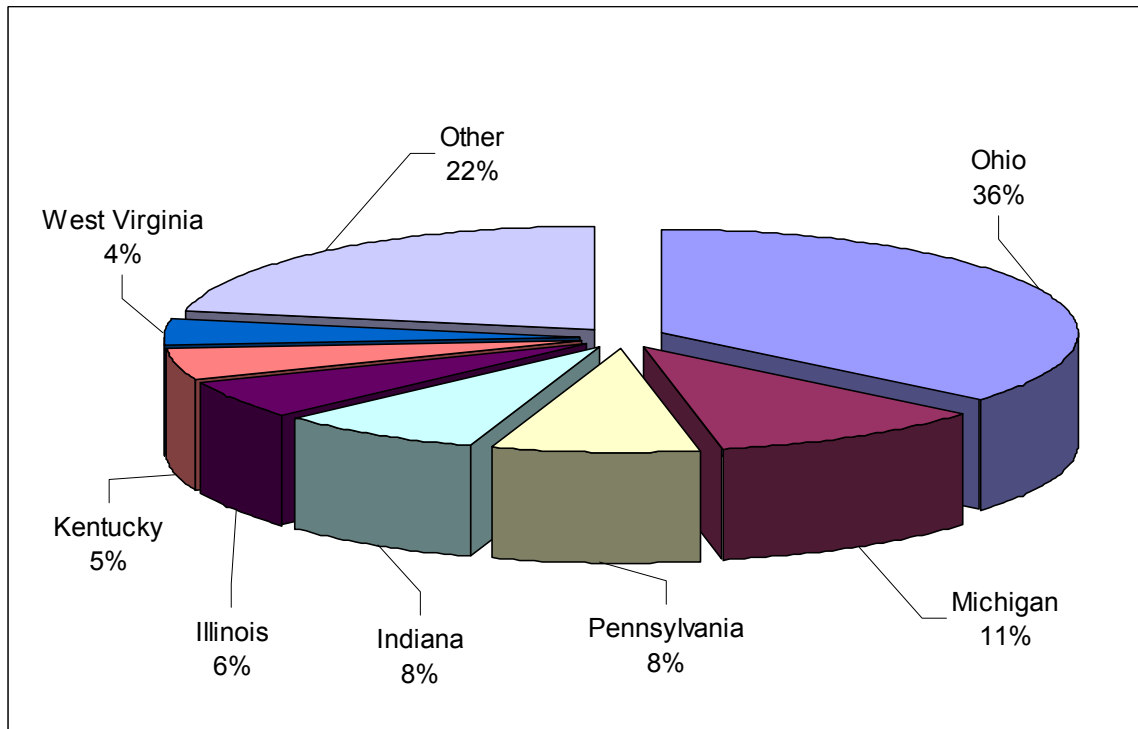
¹⁰⁹ USA Counties Database. Employment by NAICS, Bureau of Economic analysis, U.S. Department of Commerce (<http://censtats.census.gov/usa/usa.shtml>) and Longwoods International Study, Ohio Travel Association, <http://www.ohiotravel.org/pages/statistics.html> .

¹¹⁰ Calculated by TEMS, Inc using data on tourism impacts on Ohio (Source: Ohio Travel Association, http://www.ohiotravel.org/pages/tourism_facts.html) and Regional Economic Accounts Database. Gross Domestic Product by State. (Source: Bureau of Economic Analysis, U.S. Department of Commerce (<http://www.bea.gov/bea/regional/gsp.htm>)).

tourism brings more than \$9 billion in wages; direct taxes from tourism spending generate more than \$2 billion¹¹¹.

Ohio has been traditionally visited by tourists from all American States and dozens of foreign countries. Interest of domestic tourists to Ohio is explained partially by its convenient location: Ohio is within one day's drive from 60 percent of the U.S. population. The majority of 128 million overnight pleasure trips made to (or in) Ohio in 2003 were originated in the State or in the neighbor states¹¹². (See Exhibit 12.2).

Exhibit 12.2: Source of Overnight Leisure Visitation (Ohio's Travel Market, 2003)



Access to Tourist Attractions by High-Speed Rail: At least 80% of the overnight tourists come to Ohio from the areas connected to Ohio Hub stations or the closest MWRRRI stations. As it is shown on Exhibits 12.3 the majority of the most popular Ohio destinations would be accessible by using Ohio Hub Passenger Rail system with its feeder bus routes. (The list of attractions is given in Exhibit 12.4). For international visitors high-speed rail will provide accessibility to the major attractions without the necessity to drive a car. Eight of the Top ten Ohio attractions¹¹³ are located in the cities with Ohio Hub stations. These attractions, which are named on Exhibit 12.3, include, for example, such world-known

¹¹¹ According to Longwoods International Study. Data is presented by Ohio Travel Association, <http://www.ohiotravel.org/pages/statistics.html>

¹¹² TEMS, Inc calculations based on Ohio's Travel Market Research 2003 results (Source: Ohio Division of Travel and Tourism Fact Sheet 2005, (Source: Ohio Department of Travel and Development, Division of Travel and Tourism, <http://www.discoverohio.com>))

¹¹³ Attractions are selected by international online travel guide TripAdvisor LLC See: <http://www.tripadvisor.com/Tourism-g28956-Ohio-Vacations.html>

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tourist destinations as Rock and Roll Hall of Fame in Cleveland, Dayton’s National Museum of the United States Air force, two art museums in Cincinnati and Cedar Point amusement park in Sandusky (with one of the tallest and fastest roller coasters in the world). The Ohio Hub passenger rail system will promote international tourism to Ohio since visitors will be able to see Ohio without the need to rent a car and drive on Ohio’s frequently congested highways.

Exhibit 12.3: Ohio Main Tourist Attractions and Ohio Hub Rail Routes



Exhibit 12.4: Ohio Main Tourist Attractions¹¹⁴

#	Attraction Name	City
1	Cedar Point Amusement Park	Sandusky
2	Rock and Roll Hall of Fame	Cleveland
3	Paramount's Kings Island	Kings Island
4	National Museum of the U.S. Air Force and IMAX Theater	Dayton
5	Great Lakes Science Center	Cleveland
6	Cleveland Museum of Natural History	Cleveland
7	Cincinnati Museum of Art	Cincinnati
8	Hocking Hills State Park	Logan
9	Cincinnati Zoo & Botanical Gardens	Cincinnati
10	Taft Museum of Art	Cincinnati
11	University Circle	Cleveland
12	Cleveland Museum of Art	Cleveland
13	Kalahari Waterpark Resort	Sandusky
14	Wildwater Kingdom – Geauga Lake	Aurora
15	Hopewell Culture National Historical Park	Chillicothe
16	The Ohio Glass Museum	Lancaster
17	Southern Ohio Museum and Cultural Center	Portsmouth
18	Ohio's Garden Path – Ohio Historical Center	Columbus
19	Great American Ball Park	Cincinnati
20	Contemporary Arts Museum	Cincinnati
21	Dairy Barn Cultural Arts Center	Athens
22	Cleveland Metro Parks Zoo	Cleveland
23	Center of Science and Industry (COSI)	Columbus
24	Newark Earthworks State Memorial	Newark
25	Hocking Valley Scenic Railway	Nelsonville
26	Cuyahoga Valley National Recreation Area	Cuyahoga Valley National Park
27	Stan Hywet Hall and Gardens	Akron
28	National Inventors Hall of Fame Museum	Akron
29	Toledo Museum of Art	Toledo
30	Toledo Zoo	Toledo
31	Toledo Firefighters Museum	Toledo
32	Irwin Prairie State Nature Preserve	Toledo
33	S S Willis B. Boyer Maritime Museum	Toledo
34	The Westcott House	Springfield
35	Pro Football Hall of Fame	Canton
36	First Ladies Library	Canton
37	McKinley Museum and National Memorial	Canton
38	Hower House	Akron
39	German Village	Columbus
40	Franklin Park Conservatory & Botanical Garden	Columbus
41	Short North Arts District	Columbus
42	SunWatch Indian Village/Archaeological Park	Dayton
43	America's Packard Museum (The Citizens Motorcar Co.)	Dayton
44	Dayton Art Institute	Dayton
45	Ohio State Reformatory	Mansfield

Exhibit 12.4: Ohio Main Tourist Attractions (continued)

#	Attraction Name	City
46	Biblewalk	Mansfield
47	Kingwood Center	Mansfield
48	Ghostly Manor Thrill Center	Sandusky
49	Pipe Creek Wildlife Area	Sandusky
50	Mound City	Chillcothe
51	Scioto Trail State Park	Chillcothe
52	Hayes Presidential Center	Fremont
53	Sandusky River	Fremont
54	Octagon State Memorial	Newark
55	South Bass Island	Put in Bay
56	Perry's Victory & International Peace Memorial	Put in Bay
57	Butler Institute of American Art Features	Youngstown
58	Barbara Barbe Doll Museum	Barnesville
59	Quail Hollow Resort	Painesville
60	City of Lima	Lima
61	Zanesville Art Center	Zanesville
62	City of Oxford	Oxford
63	Wyandotte Popcorn Museum	Marion

Study of rail tourism in Europe shows that passenger rail service attracts people by giving them the opportunity to enjoy meals on the train and sightseeing through the window¹¹⁵. For example, the Spanish experience with the Madrid-Seville high-speed rail line shows that people were ready to switch from traveling by air and car to rail¹¹⁶. As shown in Exhibit 12.5, introducing the high-speed rail line between Madrid and Seville made rail the primary mode for passengers traveling to Seville, decreasing the car share by half and almost eliminating the air share. Eurostar high speed train currently carries 71 per cent of the traffic between the London and Paris city centers, while before the rail tunnel beneath the English Chunnel (La Manche) was opened in 1995 the ferry-train combinations carried only 4 per cent of the traffic¹¹⁷.

European high-speed trains (see Exhibit 12.6) successfully operate in the tourist industries showing a good example to the United States, where congestion has been constantly growing. Americans traveling to Europe have already proved their readiness to accept rail benefits. According to Nick Mercer, commercial director of Eurostar, in 2006 one in 20 Eurostar passengers was a U.S. citizen. Sales of the Eurostar tickets in the United States continue to grow rapidly: the results for the first quarter of 2007 showed that sales of Eurostar tickets in the U.S. were up 39 per cent¹¹⁸.

¹¹⁴ Sources: <http://www.tripadvisor.com/>, <http://www.planetware.com/>, <http://www.travelohio.com/> The order in which attractions are listed (except the top ten) does not necessary correspond to the rank of their popularity.

¹¹⁵ Hudgins, Sharon. Dinner on the Diner - The Trans-Siberian Express. http://www.bpe.com/travel/europe/siberian_express.htm

¹¹⁶ Graber, Cynthia. High-Speed Railways in Spain. MIT Technology Review: Spain Microsite. 2006, November 06. <http://www.technologyreview.com/microsites/spain/train/p3.aspx>

¹¹⁷ Godwin, Nadine. On the Hill: Europe Rail experts weigh in on high-speed debate. Travel Weekly - The National Newspaper of the Travel Industry. 04/23/2007. <http://www.travelweekly.com>

¹¹⁸ Ibid.

Exhibit 12.5: Passengers Traveled to Seville (by Mode, in %) (before and after the Madrid-Seville high-speed rail (HSR) line was put in service)¹¹⁹

Travel Mode	Before the Advent of HSR Line (1991)	After the Advent of HSR Line (1994)
Air	11%	4%
Car	60%	34%
Train	29%	50+%
Other		About 10%

Exhibit 12.6: European High-Speed Trains



Economic Impact: Using the results of the Total Demand Model calibration for the Ohio Hub using the COMPASS™ Model¹²⁰ it was found that a 1 per cent of improvement in travel utility increased tourist travel by 1.2 per cent. Given that the Ohio Hub generates a 0.2 per cent improvement in travel utility is likely that the Ohio Hub will increase tourist travel by 0.25 per cent. Given that the current overnight tourism in Ohio is 128 million trips this increases tourism by 320 thousand trips. An increase in tourism of 320 thousand trips increases the tourism benefits by almost \$80 million per year in Ohio Gross Domestic Product, it expands tourist employment by 1,400 jobs, it increases wages from tourism by \$22.5 million per year and direct taxes from tourism spending will generate an extra \$5 million per year.

Conclusion: The development of the Ohio hub will provide a significant boost to tourism in Ohio. The Ohio hub passenger rail system should develop special tourist tickets like Europass and BritRail pass¹²¹ to encourage the use of the rail system by tourists. Equally special rail connections should be provided to ensure that access to rail facilities will ensure a seamless connection for tourists. Overall benefits of \$80 million per year will make a significant contribution to the growth of this industry.

¹¹⁹ Source: P. Moore High Speed Rail as a Solution to Airport Congestion. 9.26.2001. Version 1.2 California High Speed Rail Authority. <http://lomaprieta.sierraclub.org/HighSpeedRail.pdf>

¹²⁰ Compass-R™ Strategic Transportation Planning Model. User Guide Version 2.1 Transportation Economics & Management Systems, Inc. 1995

¹²¹ In more details about European experience in issuing rail passes see, for example: <http://www.amiedu.net/europass/main.php?s=experiences> and <http://www.acprailnet.com/britrail>