

Economic Benefits of Trail Tourism



One major benefit of trail tourism is that it is money spent in rural towns and in more economically disadvantaged areas. Many of the people traveling to a trail and spending a night or more in the area are economically well off and have significant discretionary income.

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- ✓ The Outdoor Industry Foundation published a big study in 2006 which found that "Active Outdoor Recreation" contributes \$730 billion annually to the U.S. economy, supports 6.5 million jobs, and generates \$88 billion in annual state and national tax revenue. Active recreation is defined as bicycling, trail activities, paddling, snow sports, camping, fishing, hunting, and wildlife viewing. (*The Active Outdoor Recreation Economy by the Outdoor Industry Foundation, 2006*)
- ✓ The bicycle industry is estimated to support 1.1 million jobs, generate nearly \$18 billion in federal, state, and local taxes, and contribute \$133 billion annually to the U.S. economy. (*The Active Outdoor Recreation Economy by the Outdoor Industry Foundation, 2006*)
- ✓ *The Economic Impact of Investments in Bicycle Facilities: A Case Study of the North Carolina Northern Outer Banks, 2004* found:
 - Bicyclists in the northern Outer Banks region of North Carolina have an annual economic impact of \$60 million. The annual economic impact of cyclists is almost nine times as much as the one-time expenditure of public funds to construct special bicycle facilities in the region.
 - 1,400 jobs are created or supported annually with the expenditures made by bicyclists.
 - Almost half of surveyed bicyclists earn more than \$100,000 annually and 87% earn more than \$50,000. Forty percent have a Masters or Doctoral degree and an additional 38% reported completion of a college degree.
- ✓ The West Orange, Little Econ, and Cady Way trails in Orange County, Florida supported 516 jobs and realized an estimated economic impact of \$42.6 million in 2010. (*East Central Florida Regional Planning Council*)
- ✓ An estimated 1.7 million adult users of the Washington and Old Dominion Trail in Virginia spent in total about \$12 million annually related to their recreational use of the trail. (*The W & O D Trail: An Assessment of User Demographics, Preferences, and Economics, 2004*)

THE GREAT ALLEGHENY PASSAGE

Business owners along the Great Allegheny Passage trail attribute 25% of revenues to their proximity to the Trail. (Great Allegheny Passage Economic Impact Study, 2007-2008)

An estimated 800,000 trips are taken annually on the Great Allegheny Passage, a 141-mile system of biking and hiking trails from Cumberland, MD to Homestead, PA. (Great Allegheny Passage Economic Impact Study, 2007-2008)

Of these trips, they had an economic impact of:

> > *Annual direct spending attributed to trail user spending ~ \$40.8 million in 2008, up from \$7.26 million in 2002.*

> > *Total annual wages attributed to trail user spending: \$7.5 million.*

> > *66 new trail-related businesses opened in the Trail Towns since 2007. There were 19 business closings during the same period, resulting in a net gain of 47 new businesses. 77% of businesses opened since 2007 remain in operation.*

> > *93 new jobs (net) were created.*



The River's Edge Café is one of many businesses along the Great Allegheny Passage that cater to trail users (Photo Credit: Paul Wiegman, Trail Town Program®)

- ✓ *Fruita, Colorado has earned a reputation as a world-class mountain biking destination that pumps \$1.5 million a year into the local economy, according to the Bureau of Land Management. And Fruita's sales tax revenues have increased by 51% in the last 5 years, including an 80% increase in sales tax revenues from restaurants. (Outdoor Industry Foundation, from Bureau of Land Management North Fruita Desert Management Plan, 2004)*
- ✓ *Through surveys, bike shop questionnaires, guide service interviews, and literature research, the study concluded that the Teton County trail system generated an estimated \$18,070,123 million in economic activity in 2010. Approximately \$1,109,588 million was generated by local trail users and \$16,960,535 million by non-local trail users. Employment and wages relating to the trail system in Teton County totaled \$3.6 million with approximately 213 workers employed in the summer and fall of 2010. (Jackson Hole Trails Project Economic Impact Study, 2011)*
- ✓ *Economic Impact of Recreational Trail Use in Different Regions of Minnesota, 2009 found:*
 - *Although the trails are small income generators compared to manufacturing, health services, and other large sectors of the local economy, their impacts are concentrated in communities dependent on trail activity, and spread to other businesses in population centers and commercial hubs of the region.*
 - *Statewide trail spending of \$2,422 million was estimated to produce \$2,953 million in gross output (total sales of local businesses including indirect and induced effects but subtracting imports). This contributed \$1,542 million to gross state product (GSP). Some 30,900 full-time and part-time jobs were supported by trail spending in various regions. Employee compensation from these jobs reached some \$864 million. State and local revenues from all taxes, fees, and other sources amounted to \$206 million.*
 - *Annual household purchases of new equipment and costs of upkeep reached \$839 million, or 35% of total spending at the trails. This produced \$1,004 million in the state's gross output or total business sales, and \$564 million in GSP or value added. Most of the spending occurred in the horseback riding activity, where purchases of new equipment and horses, boarding of horses, feeds, veterinary fees, and other maintenance costs reached \$551 million, or 59% of all equipment spending in the state.*

- ✓ The Celtic and Taff Trails in Wales are multi-user trails that attract mainly cyclists and walkers. The total demand for the Celtic Trail is estimated to be over 1.5 million user trips per annum; in comparison the Taff Trail attracts an estimated 628,000 user trips per annum. The level of expenditure by users estimated in the study is over £54 million on the Celtic Trail and £21 million on the Taff Trail each year. Of the total economic impact, the element generated by tourists using the trails amounts to £8.3 million per annum on the Celtic Trail and £1.6 million on the Taff Trail, i.e. this is additional income to Wales from inbound visitors. (*The Economic Impact of Cycling and Walking on the Celtic and Taff Trail, 2008*)
- ✓ The 7Stanes Project: The Forestry Commission in Scotland saw the potential to develop seven mountain biking parks as a way of boosting visitor numbers in the south of Scotland. An evaluation of phase two of the project showed that almost 400,000 mountain bikers are now visiting the trail centers on an annual basis bringing in over £9 million to the economy. In addition, the evaluation found (*7stanes Phase 2 Evaluation, Forestry Commission Scotland*):
 - The project has helped create 205 jobs.
 - Overseas visitors and UK visitors to the 7Stanes from outside Scotland have increased to 37%— an increase of over 60% since 2004.
 - The number of mountain bikers who bring their children with them has also increased to 15% from 10% in 2004.
 - The total number of visitors riding all the 7Stanes puts it amongst the top 20 visitor attractions in Scotland.
- ✓ Whistler Mountain Bike Park is based in the British Columbia ski resort using ski lifts, ski runs, and other infrastructure to attract mountain bikers in the summer months. The study concluded that total visitor spending in Whistler attributable to mountain biking exceeded \$34.3 million over the period June 4 to September 17, 2006, supporting an estimated \$39.1 million in new economic activity (GDP). (*Sea to Sky Mountain Biking Economic Impact Study, Western Canada Mountain Bike Tourism Association*)

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