
AVSP VI – Fall/Winter 2011-12

**Section III:
Visitor Volume**

This section presents estimates of the number of out-of-state visitors that came to Alaska between October 1, 2011 and April 30, 2012. The visitor volume phase of the AVSP project involves three major tasks: conducting visitor/resident tallies at exit points, compiling exiting traffic data, and applying the visitor/resident ratios to the traffic data to arrive at visitor volume estimates.

As the table below shows, the 2011-12 phase involved tallying at airports only. Ferry tallies were unnecessary because AMHS provides passenger residency data, and highway tallying was determined to be too unsafe in the fall/winter period, as well as statistically inefficient. Visitor/resident ratios from fall/winter 2006-07 were used to determine highway visitor volume.

TABLE 3.1 - Tally Locations and Volume, AVSP VI – Fall/Winter 2011-12

Mode	Tally Locations	Passengers Talled
Domestic Air	Anchorage, Fairbanks, Juneau, Ketchikan, Sitka airports	34,381
International Air	Anchorage and Fairbanks airports	3,634
Ferry	None; passenger residency data obtained from AMHS	0
Highway	None; visitor ratios from 2006-07 used	0
Total Talled:		38,015

The tallies determined visitor/resident ratios for each location, by month. These ratios were applied to monthly traffic data collected from the following sources: Anchorage International Airport, Fairbanks International Airport, Alaska Airlines, and Yukon Department of Tourism and Culture. The Alaska Marine Highway System provided exact passenger counts.

A full description of these tasks is provided in the Methodology section.

This section is divided into the following chapters:

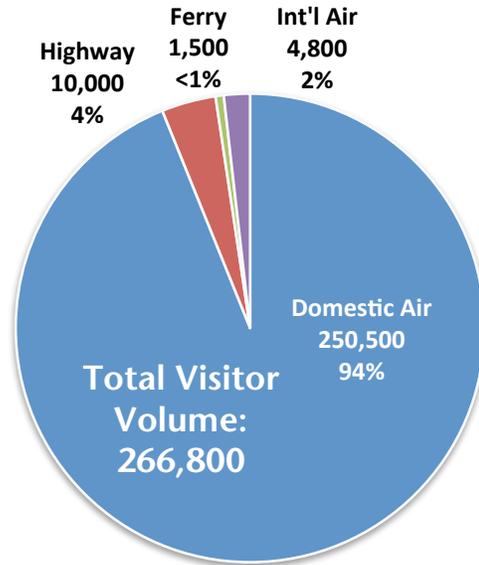
- Alaska Visitor Volume**
- Visitor Volume, Regions and Communities**
- Visitor Volume by Origin and Trip Purpose**
- Alaska Tourism Indicators**

Alaska Visitor Volume

Volume by Exit Mode

An estimated 266,800 out-of-state visitors came to Alaska between October 2011 and April 2012. Domestic air is by far the dominant method of transportation used in the fall/winter period: 250,500 (94 percent) exited Alaska using domestic air, 4,800 (2 percent) exited via international air, 10,000 (4 percent) exited via highway, and 1,500 (less than 1 percent) exited via ferry. These figures contrast dramatically with summer visitors, 48 percent of whom exit the state via cruise ship and 46 percent of whom exit via domestic air (according to summer 2011 AVSP estimates).

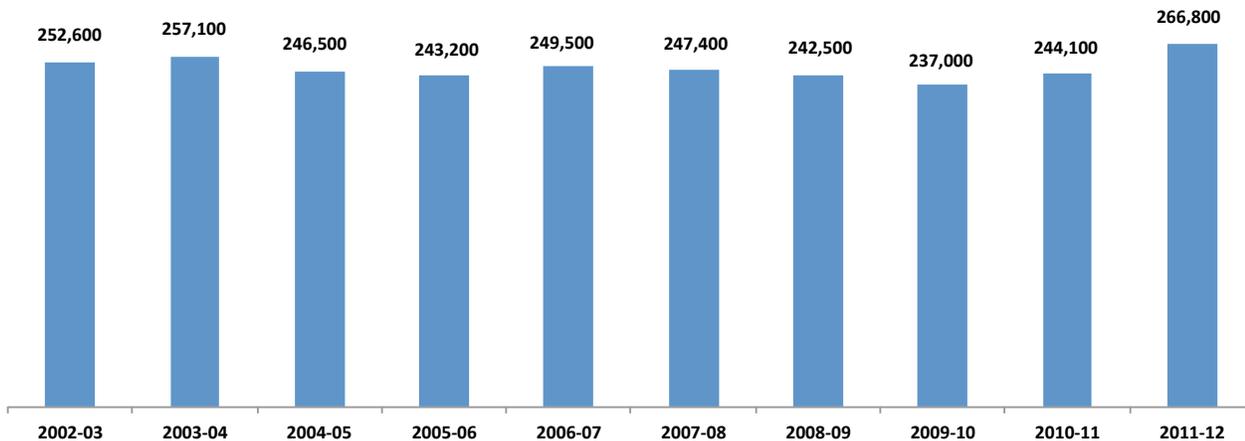
CHART 3.1 – Fall/Winter 2011-12
Alaska Visitor Volume by Exit Mode



Trends

The 2011-12 fall/winter period shows a 9 percent increase over the previous fall/winter of 2010-11, from 244,100 visitors to 266,800. In reality, the increase was likely more modest: exiting traffic (residents and visitors combined) was up by 4 percent. The 2011-12 estimate reflects updated visitor/resident ratios, which show that since the last time ratios were collected (in 2006-07) the percentage of travelers that are out-of-state visitors has increased. Traffic estimates between 2007-08 and 2010-11 were based on 2006-07 ratios. The large increase in 2011-12 likely reflects incremental increases over the last several years as the visitor ratio increased gradually.

CHART 3.2 - Alaska Visitor Volume, Fall/Winter 2002-03 to 2011-12



Sources: 2005-2011 data from AVSP V and VI (conducted by McDowell Group); 2002-2004 data from AVSP IV (conducted by Northern Economics, Inc.).

Visitor/Resident Ratios

The following table shows the percentage of non-residents out of total traffic by each mode in fall/winter 2011-12. Because ratios were applied to traffic data on a monthly and by-location basis, they cannot be applied to overall traffic numbers. Details on how these ratios were collected and applied to traffic data can be found in the Methodology section.

It is important to note that the highway ratio refers to highway travelers who are exiting the state for the final time on their trip. This eliminates the possibility of double-counting visitors who exit the state twice – for example, ferry passengers who exit the state at Beaver Creek, then re-enter at Haines to board a ferry. In addition, the highway ratio below is based on ratios collected in 2006-07; tallies were not conducted in the 2011-12 period.

TABLE 3.2 - Visitor/Resident Ratios, by Mode, Fall/Winter 2011-12

Exit Mode	Percentage Visitors
Domestic Air	32.8%
International Air	99.3%
Highway ¹	24.9%
Ferry	24.9%
Total	32.8%

¹ The highway ratio refers to “last-exit” visitors: not planning to re-enter Alaska on the same trip.

Full Year Visitor Volume

The following table shows visitor volume for the 12-month period of May 2011 through April 2012, combining results from the summer and fall/winter study periods. Over 1.8 million out-of-state visitors came to Alaska during the 12-month period, with 85 percent visiting during the five-month summer season. Out of the full-year visitor volume, 53 percent exited by domestic air; 41 percent by cruise ship; 3 percent by highway; 1 percent by international air; and 1 percent by ferry.

TABLE 3.3 - Full Year Visitor Volume, by Exit Mode, 2011-12

	Summer 2011	Fall/Winter 2011-12	Full Year
Domestic Air	723,600	250,500	974,100
Cruise Ship ¹	752,800	0	752,800
Highway	53,500	10,000	63,500
International Air	17,000	4,800	21,800
Ferry	9,900	1,500	11,400
Total	1,556,800	266,800	1,823,600

¹ The total number of cruise ship visitors to Alaska in Summer 2011 was 883,000. See the AVSP Summer 2011 report for further details on summer visitor volume.

The table below shows full-year visitor volume by “transportation market.” These figures show the actual volume of cruise ship traffic in relation to other modes, whereas the previous table reflects only those passengers exiting the state via cruise ship. Out of the full-year visitor volume, 48 percent were cruise ship passengers, 47 percent were air visitors (entered and exited the state by air), and 4 percent were highway/ferry visitors (entered or exited the state by highway or ferry).

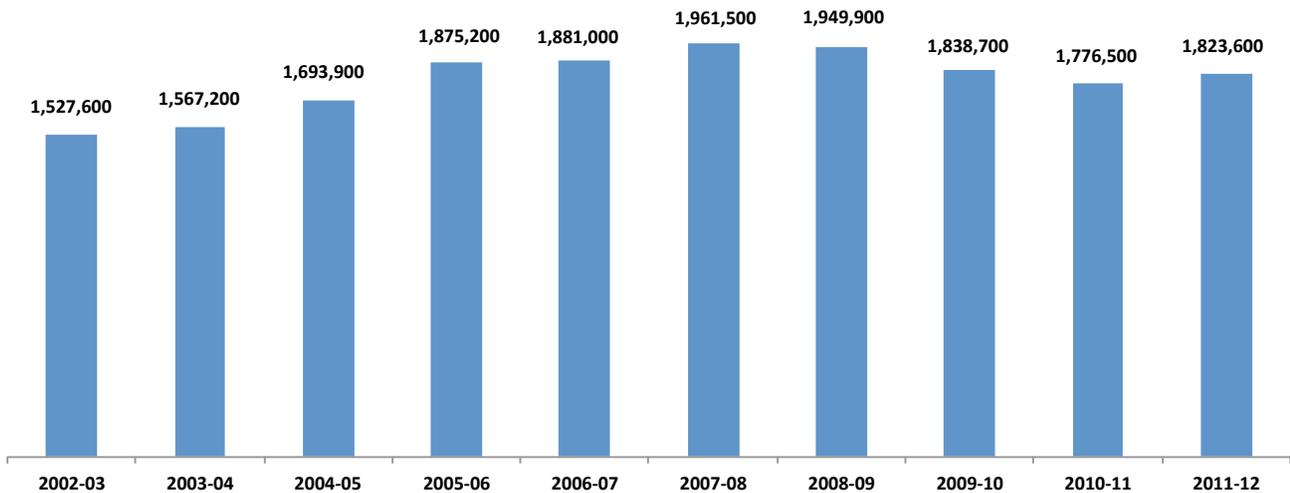
TABLE 3.4 - Full Year Visitor Volume, by Transportation Market, 2011-12

	Summer 2011	Fall/Winter 2011-12	Full Year
Cruise Ship ¹	883,000	0	883,000
Air	604,500	254,700	859,200
Highway/Ferry	69,300	12,100	81,400
Total	1,556,800	266,800	1,823,600

Trends in Full Year Visitor Volume

Alaska visitor volume for 2011-12 (1,823,600) is 7 percent below the peak volume of 1,961,500, in 2007-08; however, it is still 19 percent above the amount of a decade ago (1,527,600). After steadily increasing between 2002 and 2007, the Alaska visitor market plateaued, then declined in response to the nationwide economic crisis and declining cruise traffic. The latest twelve-month period measured (May 2011-April 2012) showed a 3 percent increase in visitor volume compared to 2010-11, the first increase in annual visitation in four years.

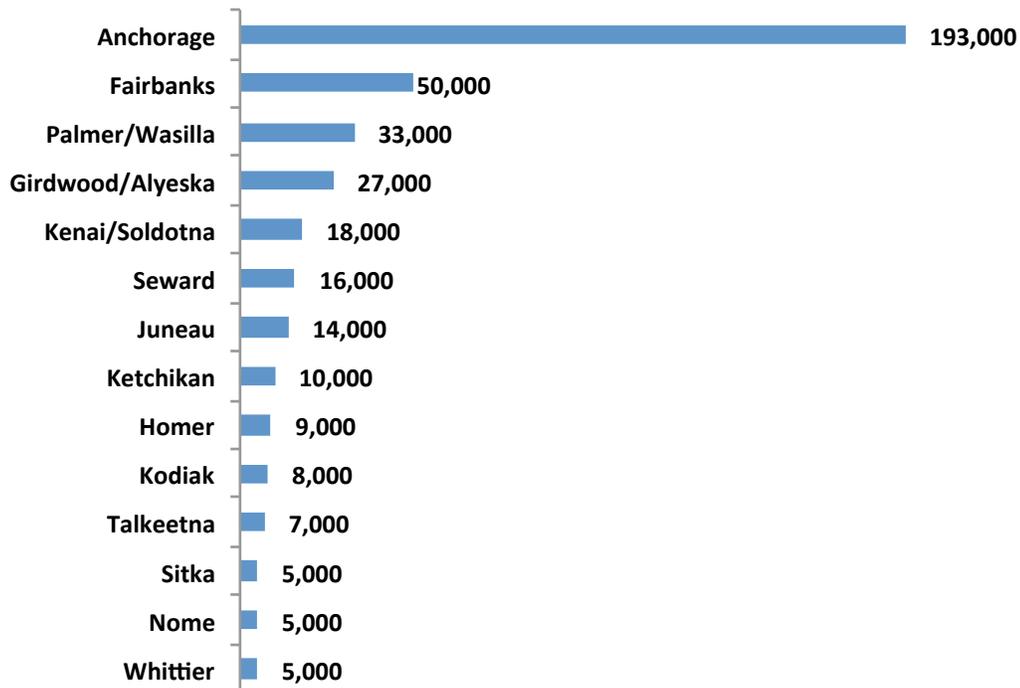
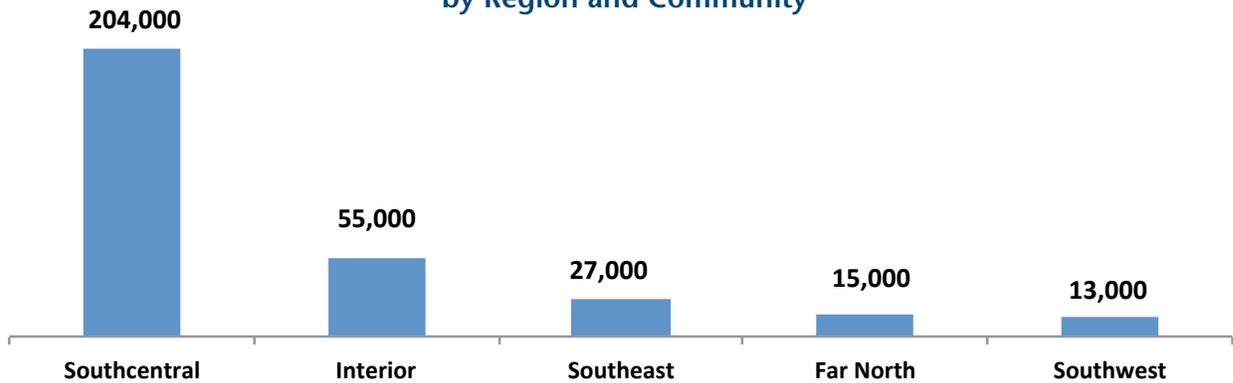
CHART 3.3 - Full Year Alaska Visitor Volume, 2002-03 to 2011-12



Visitor Volume, Regions and Communities

The chart below shows estimated visitor volume by region and community for fall/winter 2011-12. These figures were derived from applying survey results (percentage of respondents who visited each location, day or overnight) to the total estimated fall/winter visitor volume. Communities with an estimated visitation of less than 5,000 are not included in the volume estimates because their visitation percentage falls outside an acceptable margin of error. Additional details on visitation by region and community can be found in the following Visitor Profile chapter.

CHART 3.4 – Fall/Winter 2011-12 Alaska Visitor Volume (Day or Overnight Visit), by Region and Community



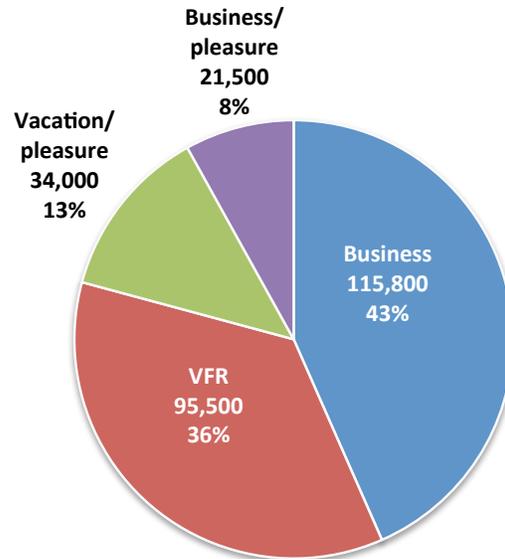
Visitor Volume by Origin and Trip Purpose

Volume by Trip Purpose

Just over half (51 percent; 137,300) of fall/winter visitors were traveling for either business only (43 percent; 115,800) or business/pleasure (8 percent; 21,500). Over one-third (36 percent; 95,500) were traveling to visit friends or relatives. Thirteen percent (34,000) were traveling for vacation/pleasure. These rates differ dramatically from the summer season, when vacation/pleasure visitors make up the majority of travelers (77 percent).

These volumes are based on results of the Visitor Survey. Each visitor was asked for their trip purpose. Additional details on visitors' trip purpose can be found in the Visitor Profile section.

CHART 3.5 – Fall/Winter 2011-12 Visitor Volume, By Trip Purpose

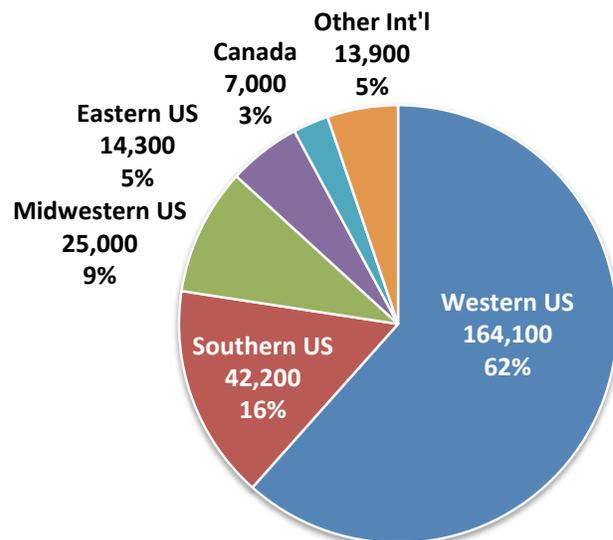


Volume by Region of Origin

Visitors from the Western US represented six out of ten Alaska visitors in fall/winter 2011-12, for a total market size of 164,100. The West was followed by the South, Midwest, and East in terms of market size. Canadians accounted for 7,000 visitors, and other international countries represented 13,900 visitors. Compared to summer visitors, fall/winter visitors are much more likely to be from the West (62 versus 36 percent).

These volumes are based on results of the Visitor Survey. Each visitor was asked what state or country they were visiting from. Additional details on visitors' state and country of origin can be found in the Visitor Profile section.

CHART 3.6 – Fall/Winter 2011-12 Visitor Volume, By Origin



Alaska Tourism Indicators

The following section provides additional indicators that help illustrate Alaska's fall/winter visitor market. These indicators refer specifically to the fall/winter season; for a broader view of the Alaska and nationwide visitor industries, please refer to the summer report at the following link:

<http://www.commerce.state.ak.us/ded/dev/toubus/research.htm>

Select Community Bed Tax Collections

Bed tax collections provide a measure of trends in visitor travel within Alaska. The data is not directly reflective of non-resident visitor volume because it includes Alaska residents; it also reflects room rates, which can fluctuate. However, bed taxes can be a useful indicator of visitor industry traffic, with these limitations in mind.

Anchorage, by far the most common destination of fall/winter travelers, showed an increase of 9.4 percent in bed tax revenues between 2010-11 and 2011-12. Although many in-state residents use Anchorage lodging in the fall/winter season, this increase is likely attributable, at least in part, to the overall increase in visitors to Alaska over the time period. All other municipalities/boroughs queried reported increases including Mat-Su, Juneau, and Sitka. While the City of Fairbanks posted a decrease, the Fairbanks North Star Borough posted a larger increase, for a net increase overall.

TABLE 3.5 – 1st and 4th Quarter Bed Tax Revenue Trends, 2006-2012

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Anchorage	\$46,965,950	\$48,057,720	\$51,975,125	\$49,904,001	\$52,828,597	\$57,812,635
% change		+2.3%	+8.2%	-4.0%	+5.9%	+9.4%
Fairbanks (City)	\$527,064	\$490,756	\$548,325	\$537,339	\$589,144	\$556,524
% change		-6.9%	+11.7%	-2.0%	+9.6%	-5.5%
Fairbanks (Bor.)	\$423,481	\$816,533	\$476,173	\$465,609	\$480,521	\$552,218
% change		+92.8%	-41.7%	-2.2%	+3.2%	+14.9%
Mat-Su	n/a	\$645,312	\$667,804	\$621,819	\$578,571	\$648,614
% change		n/a	+3.5%	-6.9%	-7.0%	+12.1%
Sitka	\$67,812	\$48,170	\$43,215	\$48,396	\$48,017	\$49,248
% change		-29.0%	-10.3%	+12.0%	-0.8%	+2.6%
Juneau	\$6,606,093	\$7,071,248	\$7,265,570	\$7,561,341	\$7,928,901	\$8,207,579
% change		+7.0%	+2.7%	+4.1%	+4.9%	+3.5%

Sources: Municipality of Anchorage, Fairbanks Convention and Visitors Bureau, Matanuska-Susitna Borough, City and Borough of Sitka, City and Borough of Juneau.

Anchorage RV and Vehicle Tax Collection

Anchorage vehicle rental tax revenues increased significantly in 2011-12, by 12.3 percent over the 2010-11 period. RV rental tax revenues also increased dramatically, although RV rentals are minimal in the fall/winter season. Like bed tax revenues, vehicle and RV rental revenues reflect both resident and visitor usage, as well as variable rental rates.

TABLE 3.6 - Anchorage RV and Car Rental Tax Revenues, 1st and 4th Quarters, 2006-2012

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Vehicle rental revenue	\$976,873	\$1,041,954	\$1,021,791	\$982,993	\$1,002,462	\$1,125,770
% change		+6.7%	-1.9%	-3.8%	+2.0%	+12.3%
RV rental revenue	\$8,922	\$6,766	\$5,682	\$6,480	\$10,811	\$16,524
% change		-24.2%	-16.0%	+14.1%	+66.8%	+52.8%

Source: Municipality of Anchorage. Note: Each column reflects the fourth quarter of the first year combined with the first quarter of the second year; for example, the final column refers to October 2011 through March 2012.

Highway Traffic

The table below shows the number of personal vehicle occupants (visitors and residents combined) crossing the border from Alaska into Canada between October and April from 2006-07 to 2011-12, by the three highways. (Top of the World highway is closed October to April.) Personal vehicle traffic has fluctuated widely over the last six years, including a 13 percent decrease in 2008-09 followed by a 27 percent increase in 2009-10. The latest period of 2011-12 saw a 6 percent decrease, with all three highway locations reporting fewer crossings.

TABLE 3.7 – Highway Border Crossings by Personal Vehicle (Visitors and Residents Combined), 2006-2012

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
All highways	36,148	33,641	29,412	37,233	34,440	32,394
% change		-7%	-13%	+27%	-8%	-6%
Alcan	17,911	14,853	12,911	17,528	14,866	13,708
% change		-17%	-13%	+36%	-15%	-8%
Klondike	9,538	9,609	8,989	12,117	12,349	11,640
% change		1%	-6%	+35%	+2%	-6%
Haines	8,699	9,179	7,512	7,588	7,225	7,046
% change		6%	-18%	+1%	-5%	-2%

Note: Top of the World highway is closed between October and April.

Source: Yukon Department of Tourism and Culture.

Alaska Marine Highway System Ridership

The table below shows the total number of out-of-state visitors who rode the Alaska Marine Highway System during the fall-winter period, for each of the last six years. Ridership includes visitors departing the state as well as those using the AMHS to travel within the state while on their Alaska trip.

Over 13,000 non-Alaska residents rode the AMHS between October 2011 and April 2012. Non-resident ridership on the AMHS increased by 10 percent in 2011-12 after several years of relatively flat traffic. (Interestingly, non-residents exiting the state via ferry increased by only 2 percent over the same time period.)

TABLE 3.8 - Alaska Marine Highway System, Non-Resident Ridership October-April 2006-2012

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Non-resident passengers	12,285	12,083	12,642	12,223	12,234	13,393
% change		-1.6%	+4.6%	-3.3%	+0.1%	+9.5%

Source: AVSP V and VI, Alaska Marine Highway System.