

# *Assessing the Economic Impact of Cruise Ship Passengers Visiting Destination Markets: The Case of Bar Harbor, Maine*



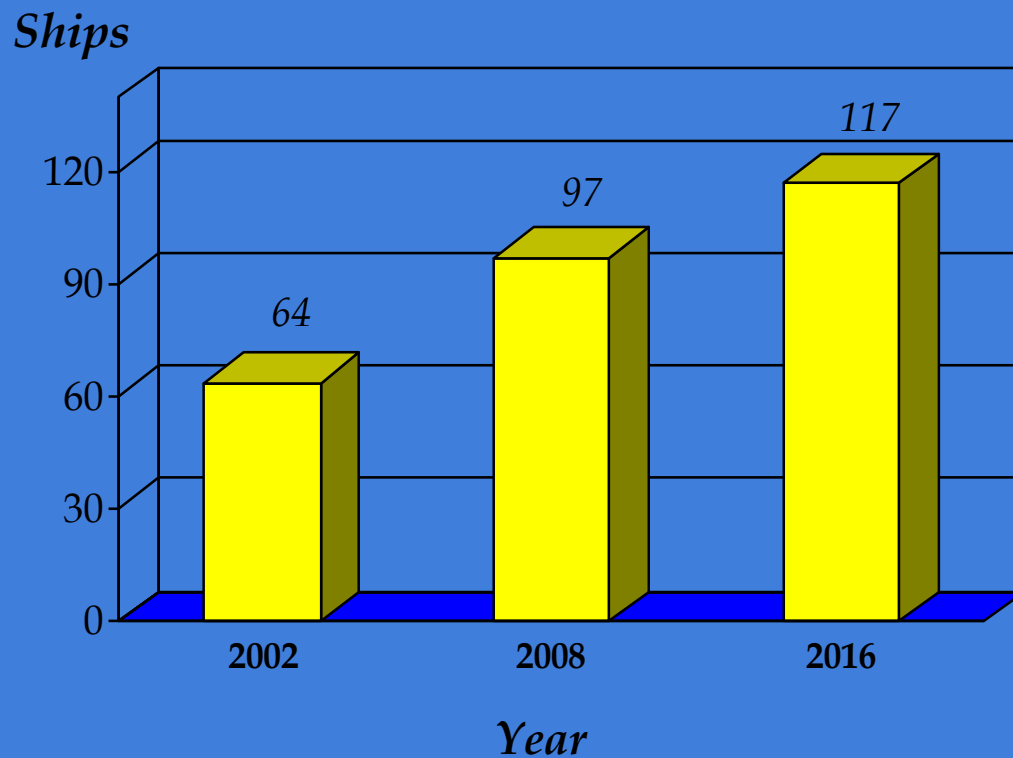
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# *Assessing the Economic Impact of Cruise Ship Passengers Visiting Bar Harbor, Maine*

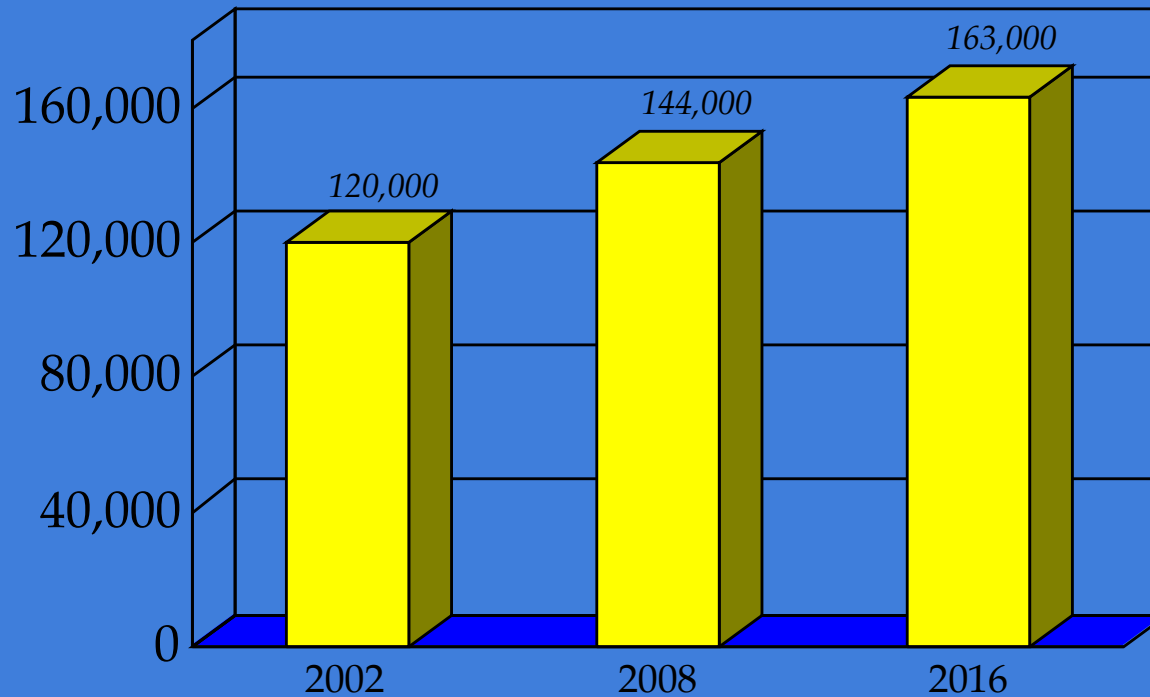
- Project overview
- Who visits Bar Harbor on cruise ships?
- What do they buy?
- What's the economic impact?
- Strategies for capturing future benefits
- Questions ???

# *Number of Cruise Ships Visiting Bar Harbor, Maine*



# *Number of Cruise Ship Passengers Visiting Bar Harbor, Maine*

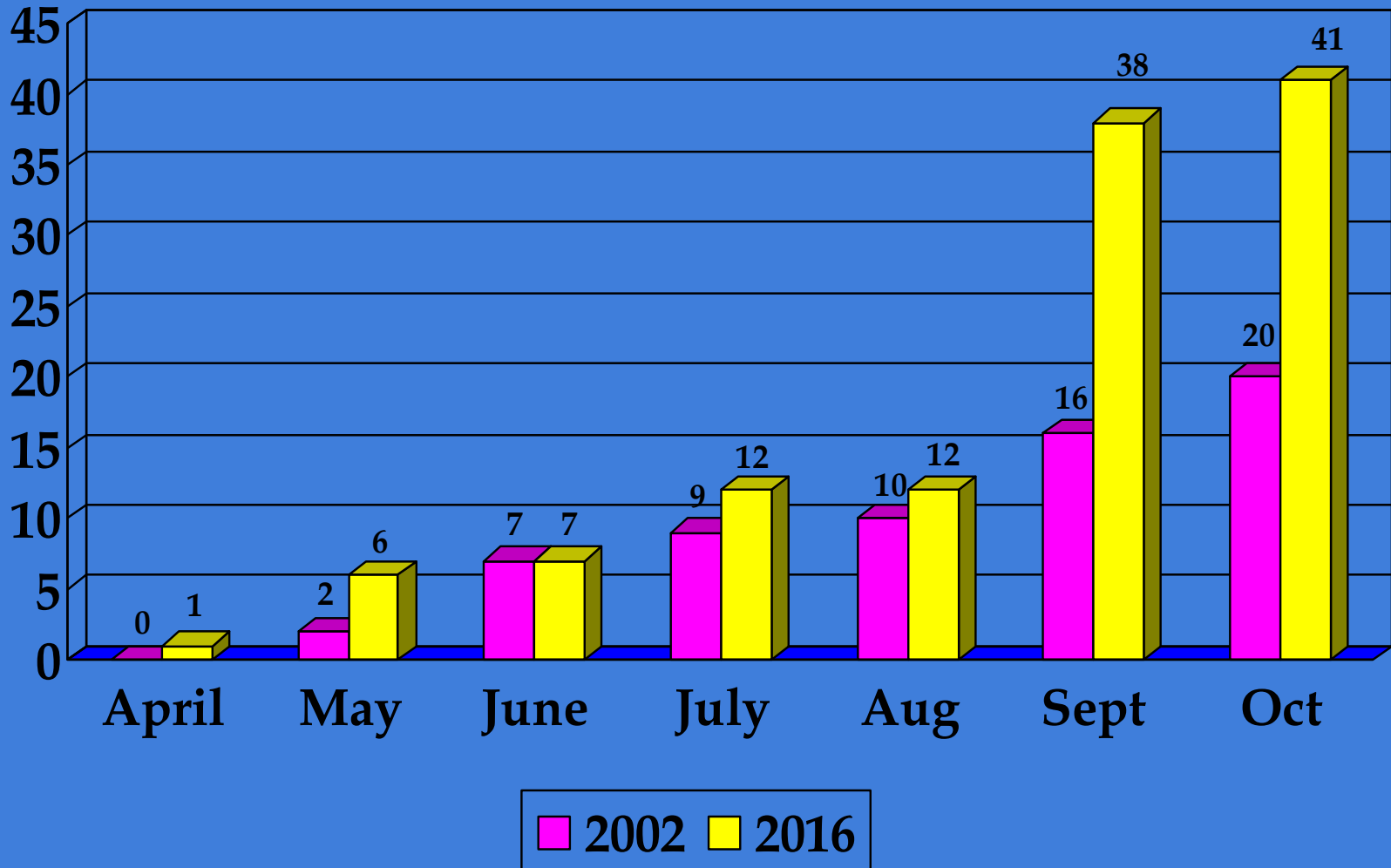
*Passengers*



*Year*

# Number of Cruise Ships Visiting Bar Harbor, Maine: 2002 vs. 2016

*Ships*



# *Project Goals*

- ❖ Develop a demographic profile of cruise ship passengers
- ❖ Identify passenger activities while in port
- ❖ Estimate cruise ship passenger expenditures
- ❖ Estimate the economic impact of passenger spending
- ❖ Identify strategies to enhance benefits of cruise ship tourism

# *Project Design*

- Four-page paper survey with about 30 questions
- Handed surveys to 4,768 passengers from 31 ship visits as they returned to ship
- Distributed surveys on 24 different days between May and October 2016
- Students distributed surveys and tabulated the results

# *Cruise Ship Passengers Surveyed*

Number of surveys distributed	4,768
Number of surveys received	2,231
Survey response rate	46.8%



# *Who Visits Bar Harbor on Cruise Ships?*

- About 90% are 50 and older
- 70% have at least a 4-year college degree
- 54% have household incomes > \$100,000
- 62% have taken at least 5 other cruises
- 68% first time to Bar Harbor

# *Who Visits Bar Harbor on Cruise Ships?*

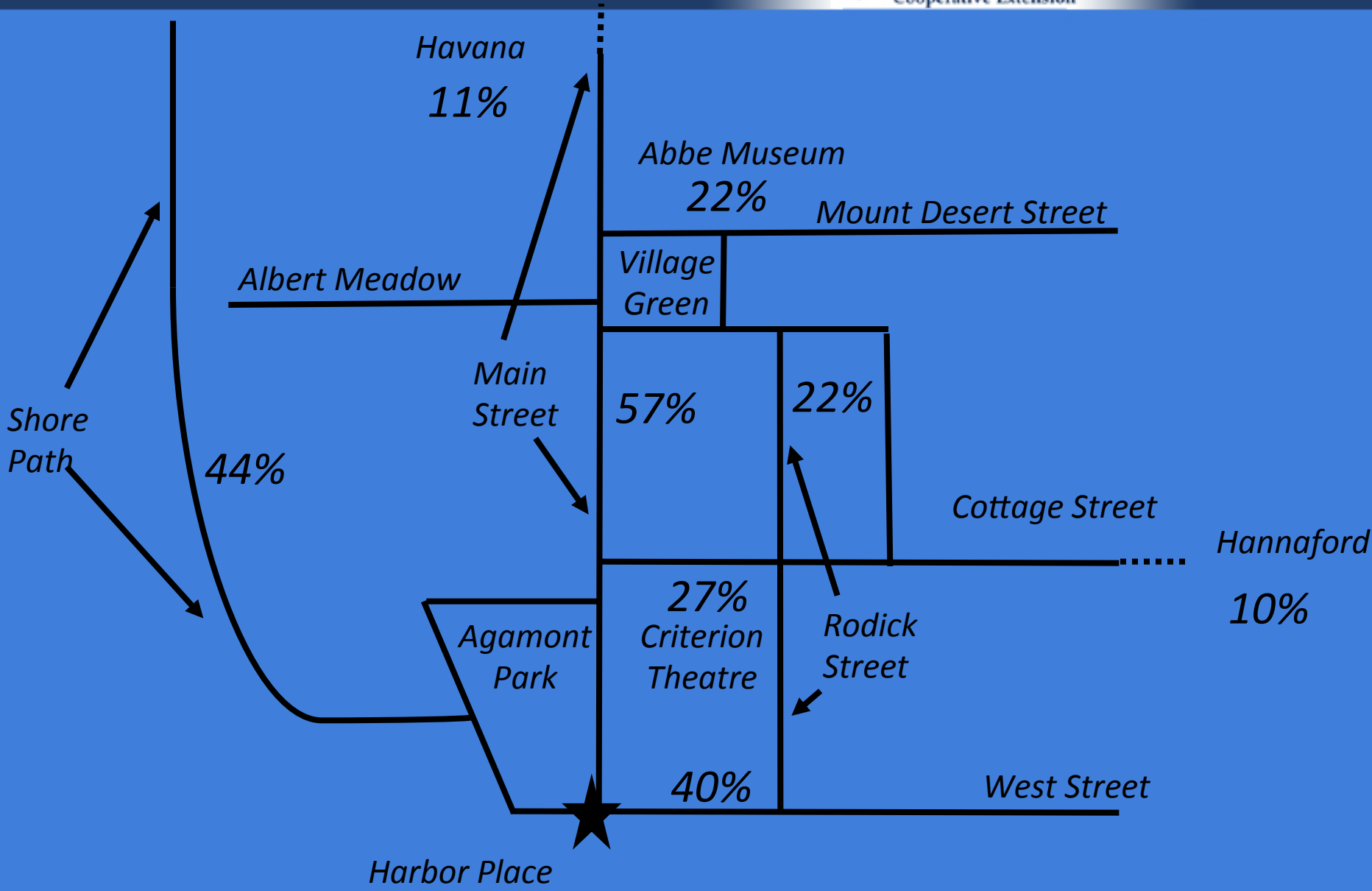
- 87% of respondents from U.S.
- 23% from FL, PA, and NY
- 21% from CA, TX, OH, and AZ
- 22 countries - Canada, New Zealand, UK...
- Extends Maine's tourism market

## *Where Do Passengers Visit While in Port?*

- ◆ Downtown Bar Harbor
- ◆ Ship sponsored tours
- ◆ Local tours and activities

# *Time Spent in Port*

- Over 80% of the survey respondents were “off the ship” for four hours or more
- 44% walked the shore path
- Over 50% read at least one “Museum in the Streets” sign
- About 60% visited Acadia National Park
- About 46% took a cruise-line sponsored tour



# *How Much Do Passengers Spend?*

- ❖ 96% visit at least one store; 33% visit 10+
- ❖ 75% spent money in 1-4 stores; 13% in 5-9 stores
- ❖ The typical passenger spent \$74.00 in port
- ❖ Including cruise-sponsored tours, the typical passenger spent \$108.00

# *What Do Passengers Buy?*

- ❖ Meals and Drinks (\$24.60)
- ❖ Clothing (\$14.36)
  
- ✓ Souvenirs (\$11.83)
- ✓ Art and Jewelry (\$8.02)
- ✓ Recreation & Transportation (\$5.34)
- ✓ Other Retail Items (3.64)
- ✓ Grocery & Pharmacy Items (\$2.44)
  
- Books and Paper Goods (\$2.17)
- Home Furnishings (\$1.70)

# *What's the Economic Impact?*

	Direct Impact	Multiplier Effects	Total Impact
Spending	\$14,963,520	\$5,280,046	\$20,243,566
Employment	329	50	379
Labor Income	\$3,813,346	\$1,571,449	\$5,384,795



# *Strategies for Capturing Future Benefits*

## ➤ Community Infrastructure:

- Town website designed for cruise tourists
- Shore path signage
- Travel assistance from dock to shops

## ➤ Entrepreneurial Possibilities:

- Interpretive guiding services
- Local agri-tourism excursions
- Local artisan products

# *Strategies for Capturing Future Benefits*

- Educational/Training Opportunities:
  - Marketing tips for local businesses
  - Exploring entrepreneurial possibilities
  - Providing excellent customer service
  - Offering community-based activities

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