



**ERIE
CANALWAY**
National Heritage Corridor



Canal Event Analysis

2017



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INTRODUCTION

In 2017, the Erie Canalway National Heritage Corridor (ECNHC) commissioned Level 7 Market Research to conduct a Tourism Marketing and Event study. This is a year full of celebrations as it marks the bicentennial (1817-2017) of the New York State Canals and includes many events, festivals and concerts throughout canal communities in addition to the World Canals Conference held in Syracuse, NY.

The specific goals of the Tourism and Marketing Study included:

- Refine the ECNHC visitor profile.
- Identify target audiences and tourism trends.
- Evaluate and recommend marketing strategies.
- Calculate the economic impact of canal-related events throughout the Upstate NY corridor.

The research conducted included a quantitative online study among 1,068 visitors of the 524 mile corridor that includes the New York's canal system and the over 200 communities along its shores. Participants included recent and prospective visitors, as well as those living within the corridor and outside the area. Follow up in-depth interviews were conducted among 20 participants among a mix of visitor types including those from active segments such as paddlers, cyclers and boaters.

A communications analysis was performed using the marketing materials from the ECNHC and competitive tourist attractions from both within and outside of the corridor area. Secondary tourism research was gathered to understand trends the ECNHC could take advantage of as well as support findings from the primary research. And finally, this economic impact study was conducted and focused only on the canal-related events, festivals and tour/rental operators throughout the Upstate NY corridor.

In order to estimate the economic impact of canal-related events, data was gathered not only from the quantitative online visitor study but also from area festival/event organizers and canal tour and rental operators (i.e., museums, boat charters, tour companies, and boat, bike and kayak rental firms). ECNHC partners including many heritage sites, affiliates sites and points of interest, along with New York State Canal Corporation and Parks & Trails New York assisted in collection of the data. In each section of the study, the sources as well as the logic behind each of our assumptions will be detailed.



EXECUTIVE SUMMARY

In 2017, the total direct sales revenue driven by over 3.3 million visits is just over \$1.1 billion.

In the summary table below, 2017 total revenue is estimated for each of the five visitor segments including vacationers, festival goers, boaters, canal-related museum visitors and rentals including kayaks, paddleboards and bicycles.

Visitor Segment	2017 Sales Revenue
Vacationers (multi-day festival and event visitors)	\$975,362,892
Day trip festival and event-related visitors (one-day trips)	\$158,860,080
Tour operators, boat charters/rentals	\$5,162,677
Cultural Organizations (museums, etc.)	\$2,924,751
Rentals (kayaks/paddleboards/bicycles)	<u>\$840,661</u>
TOTAL	\$1,143,151,061



In the summary table below, the number of visitors per segment and average party spend is shown for 2017.

Each of these visitor segments are covered in greater detail later in the report.

Visitor Segment	Number of Visitors	Avg. Party \$	Direct Sales Revenue
Vacationers, Overnight Visitors ^{1,2}	1,276,653	764	\$ 975,362,892
Festival and event-related visitors (one-day trips) ^{1,2}	1,498,680	106	\$ 158,860,080
Boat tour operators ³	140,117	17.11	\$ 2,397,402
Boat charters & rentals ³	8,686	318.36	\$ 2,765,275
Cultural Tours/Museums ³	367,431	7.96	\$ 2,924,751
Kayak/Paddleboard Rentals ³	7,900	30.99	\$ 244,821
Bike Rentals ³	<u>1,568</u>	380	<u>\$ 595,840</u>
2017 TOTAL	3,301,035		\$ 1,143,151,061
Footnote	Source		
	1	ECNHC Visitor Study, Level 7 Market Research, 2017	
	2	Level 7 Market Research Survey of Festival Organizers, 2017	
	3	Level 7 Market Research Survey of Tour Owners & Operators/Rentals, 2017	



ESTIMATED ECONOMIC IMPACT OF CANAL-RELATED EVENTS SPENDING

The 2017 overall economic impact of New York Canal’s event spending is estimated at over \$1.5 billion. This estimate was derived by looking at various sources of event-related revenue from visitor spending, and then applying commonly accepted multipliers to assess overall economic impact.

There are many approaches when it comes to applying multipliers to estimate economic impact. In this case, we are working with direct data sources (inquirers, visitors, boaters, festival organizers); however in some cases we have limitations. Ideally we would want to break out spending by those who are local to the event area from those who came from outside the area to track certain aspects of economic impact of the canal-related events. The logic is that those from outside the area bring in dollars that would not have normally been spent here.

From the 2017 ECHNC Visitor Study, we were able to determine residency based on zip code, but because we set quotas for the number of visitors from inside the Erie Canalway National Heritage Corridor (ECNHC) and from outside the area, we therefore cannot use the proportion obtained from the study. However, we do know that the proportion who stayed overnight was 46% and can assume overnight visitors were more likely to be from outside the ECNHC and spent additional dollars outside of the event. In fact, 45% of festival attendees surveyed came from outside of the ECNHC. Where possible, we have segregated between one day and multi-day spending.

It should be noted that there may be some overlap among visitors in the sense that counts could include repeat visitors or those who attended a festival and took a boat tour or rented a bike, etc. However, the amount spent would still be estimated the same as each visit was a unique occurrence.

In terms of the multiplier to use, we investigated many other economic impact studies including the 2014 Economic Impact of the Erie Canalway Trail by Parks & Trails New York as well as others from the industry segment and determined that 1.45 is a realistic and conservative multiplier.

Below is a table which shows estimated economic impact from 2017.

Revenue Sources	# of Visitors	Average \$/Party	Multiplier	Revenue
Multi-day Event/Vacationers	1,276,653	\$ 764.00	1.45	\$ 1,414,276,193
Day trip Festival/Event Attendees	1,498,680	\$ 106.00	1	\$ 158,860,080
Total Event/Festival Attendees	2,775,333			\$ 1,573,136,273
Boat Tour Operators	140,117	\$ 17.11	1.45	\$ 3,476,233
Boat Charters & Rentals	8,686	\$ 318.36	1.45	\$ 4,009,649
Cultural Tours/Museums	367,431	\$ 7.96	1.45	\$ 4,240,889
Kayak/Paddleboard Rentals	7,900	\$ 30.99	1.45	\$ 354,990
Bike Rentals	1,568	\$ 380.00	1.45	\$ 863,968
Total Visitors	3,301,035			
Economic Impact				\$ 1,586,082,002



EVENT ANALYSIS

Each year there are many festivals and events along the Canal which attract visitors to the Corridor and provide additional revenue for the area. Over the last 10 years, the number of events has increased to include concerts, arts festivals, cycling and paddling events, celebrations of local foods and beverages, and events that focus on history and heritage.

Level 7 Market Research surveyed the event organizers in the canal communities, who provided data on the number of visitors to their events. The results of this survey show that events and festivals in 2016-2017 generated nearly 2.8 million visitors for about 65 events. The analysis chose to focus on the events which generated 300 or more visitors each and therefore is conservative since it does not count attendance of all events that take place along the Corridor.

According to the [NYS Canal Corporation website](#), the 2017 annual calendar held more than 470 events; therefore the estimate of 2,775,333 visitors for 65 events is very conservative. The table showing the 2017 events is displayed on the next page.

The average spend in 2017 for a canal day tripper is estimated at \$106 based on the 2017 Erie Canalway National Heritage Corridor (ECNHC) Visitor Study. And those who stayed more than one day, we consider to be vacationers, who spent 5 days on average. Vacationers spent an average of \$764 while visiting the Corridor.

The 2017 Visitor Study also inquired about recreational activities participated in along the Canal and found that:

- Over 30% of visitors had attended an event or festival.
- Approximately 54% of these events are one-day trips for visitors according to the 2017 Visitor Study.
- Just over half (55%) of the festival goers lived inside the corridor and (45%) were from outside the area.
- And this is similar to the mix of those who stayed one day (54%) and overnight (46%).

Based on the data collected from Festival/Event organizers along with the ECNHC Visitor Study, we estimate the direct sales from Festival Day trippers are \$158,860,080 assuming 1,498,680 day visitors (54% of the nearly 2.8 MM) spending \$106 per trip.

Additionally, overnight visitors or vacationers account for an additional estimated direct sales of \$975,362,892 assuming 1,276,653 vacationers spending \$764 per trip.

The combined direct sales total of all Event/Festival attendees is \$1,134,222,972 including day and overnight visitors.



2017 Canal-related Festivals & Events	Month	Estimated Attendance	Location
Canal Clean Sweep	April	6,500	Multiple
Celebrate Commemorate Memorial Day	May	9,000	Cayuga-Seneca
Low Bridge, High Water- Canal Opening Celebration	May	2,500	West
Pedal-Paddle-Run	May	575	East
Pittsford Regatta	May	1,900	West
Port of Pittsford Paddle and Pour	May	5,000	West
Village of Waterford Canal Festival	May	12,000	East
Buffalo River Fest	June	5,000	West
Chittenango Landing Canal Fest	June	500	Central
Fairport Canal Days Arts Festival	June	200,000	West
Hudson Crossing Triathlon	June	400	Champlain
Seneca River Day	June	3,000	Central
Strawberry Festival	June	15,000	West
Troy Riverfest	June	20,000	East
Wine & Artisans Festival on the Erie	June	600	West
Journey Along the Erie Canal	June-July	2,000	Multiple
Canalside Concert Series	Summer	133,000	West
Community Concert Series (Macedon)	Summer	600	West
Music on the Erie Summer Series	Summer	2,400	West
Summer Sunday Night Concerts at the Gazebo	Summer	500	West
Tonawanda-North Tonawanda Gateway Market	Summer	4,500	West
Tour of the Lois McClure	Summer	10,943	Multiple
Amsterdam's July 4th Water Music	July	6,000	East



2017 Canal-related Festivals & Events	Month	Estimated Attendance	Location
Canal Fest of Tonawandas	July	200,000	West
Canalside 4th of July Celebration	July	25,000	West
Cycling the Erie Canal	July	744	Multiple
Fireworks on the River	July	40,000	Central
Little Falls Cheese Festival	July	3,500	East
Mabee Farm Canalfest	July	1,000	East
Oswego Harborfest	July	100,000	Oswego
Oswego Paddlefest/Rock the Locks	July	800	Oswego
Rome Re-enactment & Celebration	July	2,000	East
Rome Honor America Days Parade & Concert/Bicentennial	July	20,000	East
Schoharie Crossing Canal Days	July	3,000	East
Sylvan Beach "Pirates" Weekend	July	10,000	Central
Waterford Steamboat Meet	July	8,000	East
Amsterdam's Riverfest	August	6,000	East
Canal Splash at the Waterford Farmers Market	August	750	East
Canalfest at Sylvan Beach	August	8,000	Central
Cayuga Waterfront Festival	August	500	Cayuga-Seneca
Celebrate our Canals	August	700	Champlain
Floati Gras Boat Parade	August	2,000	Central
Hudson Crossing Park's Cardboard Boat Race	August	350	Champlain
Little Falls Canal Celebration	August	16,500	East
Lockapalooza Whitewater Kayaking Festival	August	500	West
Magic in Minetto	August	400	Oswego
Mohawk Valley RiverFest	August	6,000	East



2017 Canal-related Festivals & Events	Month	Estimated Attendance	Location
Palmyra Canaltown Days	August	1,000	West
Palmyra Pirate Weekend	August	4,000	West
Riverlink Summer Concert Series	August	600	East
Seneca Falls Canal Fest	August	15,000	Cayuga-Seneca
Town of DeWitt's 48th Annual Canal Day	August	2,500	Central
Towpath Day	August	2,500	Central
World's Largest Rubber Duck (Canalside)	August	100,000	West
Lockport Locktoberfest	September	3,500	West
Mohawk Valley Garlic & Herb Festival	September	2,500	East
St. Johnsville Fall Celebration of the Erie Canal	September	800	East
Waterford Tugboat Roundup	September	20,000	East
World Canal Conference	September	1,415	Central
Phoenix Locktoberfest	October	7,000	Central
Rome Locktoberfest & Tower Lighting	October	650	East
Fort Edward Locktoberfest	October	400	Champlain
It's A Wonderful Life Festival	December	15,000	Cayuga-Seneca
Canalside Buffalo	Year Round	1,700,000	West
Erie Canal Museum Events	Year Round	806	Central
TOTAL EVENTS		2,775,333	



CANAL-RELATED TOURS AND RENTALS

In addition to events and festivals, there are a number of organizations who benefit from canal-related activity including boat charters & rentals, boat tours, cruises, kayak/paddleboard rentals, bike rentals and museums.

Level 7 Market Research surveyed the operators of boat tours, rental companies, charter companies, cultural organizations and museums, kayak/paddleboard rentals and bike rentals to obtain their estimates of the number of people they served and average rates charged. The number of Canal-related Tour Operator and Rental visitors is a conservative estimate, as only 40 of 109 tour/rental operators (37%) invited to participate completed the survey. The full list of 40 operators and organizations that responded are found in a table on the following page.

This survey showed that:

- 140,117 people took one-day tours from the operators, and we estimate they spent over \$17 each based on the survey data.
- About 8,686 people chartered or rented a boat, which run anywhere from a ½ day to 15 nights.
- We estimated over \$318 per person per charter/rental, based on the data from the boat operator surveys.
- The direct sales revenue for all operators and charters surveyed results in \$5,162,677.

Cultural tours/museums reported 367,431 visitors, estimated at an average of nearly \$8 per admission or tour totaling \$2,924,751 in direct sales revenue.

Rentals were estimated to be used by an additional 9,468 visitors.

- Kayak/paddleboards were rented by 7,900 paddlers at approximately \$31 per person.
- 1,568 bikes were rented for an average fee of \$380.
- Rentals accounted for \$840,661 in direct sales revenue.

The total combined direct revenue for all canal-related tours and rentals is \$8,928,089.



CANAL-RELATED TOURS AND RENTALS

2017 Canal-related Visitors

Boat Charter & Rental Companies

Cruise USA	26
Blount Small Ship Adventures	540
School's Out Charters	800
Mid-Lakes Navigation	820
Water to Wine Tours	1,500
Erie Canal Boat Company	2,000
Finger Lakes Water Adventures	3,000
BOAT CHARTER/RENTAL TOTAL	8,686

Cruise/Tour Operators

Niagara River Cruises	1,500
Mid-Lakes Navigation	3,900
Corn Hill Navigation	14,717
Erie Canal Cruises Inc.	15,000
Camillius Erie Canal Society	15,000
Colonial Belle	20,000
Lockport Locks and Erie Canal Tours	70,000
TOUR OPERATOR TOTAL	140,117

Kayak/Paddleboard Rental

Down by the River Kayak Rentals	350
Upstate Kayak Rentals	900
The Boat House	2,450
Puddle Dockers	4,200
KAYAK/PADDLEBOARD TOTAL	7,900

Total Boat, Charter and Tour	148,803
Total Kayak/Paddleboard Rental	7,900
Total Bike Rental	1,568
Total Cultural Tours/Musuems	367,431
GRAND TOTAL	525,702

Bike Rental

Campus WheelWorks	1,000
Dicks Bicycle Shop	100
RV&E Bike and Skate	400
Toms Pro Bike	18
Tryon Bikes	50
BIKE RENTAL TOTAL	1,568

Cultural/Museum Tours

Women's Rights National Historical Park (Canal tours)	150
Waterford Historical Museum and Cultural Center	230
Skeneborough Museum	700
Fort Stanwix National Monument (Canal tours only)	746
Canastota Canal Town Museum	1,200
Hudson Crossing Park	1,400
Buffalo Double Decker Bus	4,000
Herschell Carrousel Factory Museum	4,000
Arkell Museum & Canajoharie Library	4,636
Niagara County Historical Society	5,000
Schoharie Crossing State Historic Site	6,000
Chittenango Landing Canal Boat Museum	7,815
Historic Palmyra	15,000
Erie Canal Museum	20,229
H. Lee White Maritime Museum	22,000
Seneca Museum of Waterways and Industry	26,325
Theodore Roosevelt Inaugural NHS	248,000
CULTURAL TOTAL	367,431



VALIDATION ANALYSIS

Because it is important for the Erie Canalway National Heritage Corridor to have assurances about the accuracy of this economic impact estimate, we again conducted further research using other data to validate the \$1.586 billion projection.

Conceptually, the economic impact estimate shown in the study could be considered the result of a “bottom-up” analysis – that is, we took information collected about spending by the consumers and end-users who use the Canal, and created an estimate of the impact of their spending on the economy at large. The validation, on the other hand, can be viewed as a “top-down” analysis, in which we take the tourism industries serving the Canal markets and then estimate the Canal’s economic impact by examining the direct and secondary effects of their revenues on the regional economy.

Here is a summary of the procedures followed for the Validation Analysis:

<p>(a) <i>Total Direct Tourism Spending in New York State, 2016</i> This estimate came from The Economic Impact of Tourism in New York Study, 2016. Tourism statistics were provided by Tourism Economics, an internationally recognized travel data firm, using the Impact Analysis for Planning (IMPLAN) input-output model for New York State, utilized worldwide by governments, universities, and public and private sector organizations.</p>	\$64.8 billion
<p>(b) <i>Percent of New York State economy represented by 23 Canal counties.</i> The \$64.8 billion estimate in (a) pertains to the entire state, while the focus of this study is the Canal Corridor. There are 23 Canal counties, and they represent about 17% of the total sales within the state. This 17% estimate was derived from U.S. Census Data, which provides a detailed portrait of the Nation’s economy once every five years, from the national to the local level. The 2012 Economic Census covers nearly all of the U.S. economy in its basic collection of establishment statistics. The data is provided at the state and county levels. The county level and total state data is provided in the appendix. The detailed data comes from the Survey of Business Owners.</p>	17.42%
<p>(c) <i>Projected Tourism spending in Canal communities.</i> (a) x (b)</p>	\$ 11,287,511,125
<p>(d) <i>Nearly 1 in 10 jobs in New York State are supported by the tourism industry. NYS, 2017</i> This estimate came from The Economic Impact of Tourism in New York Study, 2016. Also the 2014 Economic Impact Study of Adirondacks, reported the Corridor’s tourism across various regions generates a range of 6% to 19% of total employment (5-13% direct tourism). Therefore 9% is fairly conservative estimate.</p>	9%
<p>(e) <i>9% employed by Tourism in NYS (and Corridor regions)</i> (c) x (d)</p>	\$1,015,876,001
<p>(f) <i>Indirect and Induced Effects Multiplier:</i></p>	1.45
<p>TOTAL</p>	\$ 1,473,020,202

The validation analysis yielded a result that is within 8% of the Bottom-Up analysis presented in the study.



APPENDIX



CANAL CORRIDOR COUNTIES

ALBANY	OSWEGO
CAYUGA	RENSSELAER
ERIE	SARATOGA
HERKIMER	SCHENECTADY
MADISON	SCHUYLER
MONROE	SENECA
MONTGOMERY	TOMPKINS
NIAGARA	WARREN
ONEIDA	WASHINGTON
ONONDAGA	WAYNE
ONTARIO	YATES
ORLEANS	



CANAL CORRIDOR MAP



Source: http://www.beyerblinderbelle.com/media/files/1855_eriecanalway_projpic02.jpg?w=1200



2012 Survey of Business Owners - Census Data

Geography	Sales, receipts, or value of shipments of firms with or without paid employees (\$1,000)
Albany	38,754,785
Cayuga	3,270,375
Erie	97,612,834
Herkimer	2,263,466
Madison	2,720,911
Monroe	73,917,947
Montgomery	2,411,409
Niagara	12,465,695
Oneida	16,186,972
Onondaga	56,599,817
Ontario	10,870,030
Orleans	2,099,845
Oswego	5,810,648
Rensselaer	9,302,164
Saratoga	15,262,921
Schenectady	9,664,027
Schuyler	669,235
Tompkins	6,771,966



Warren	5,846,121
Washington	2,154,939
Wayne	4,915,090
Yates	898,172
Total Corridor (23 Counties) Revenue	380,469,369
Total New York State Revenue	2,184,220,670
Corridor Revenue as a % of Total NYS	17.42%

Source:



[Statistics for All U.S. Firms by Industry, Gender, Ethnicity, and Race for the U.S., States, Metro Areas, Counties, and Places: 2012](#)