

IDAHO OUTFITTERS AND GUIDES ECONOMIC CONTRIBUTION TO THE IDAHO ECONOMY 1993

Project Cooperators

Idaho Outfitters and Guides Association (IOGA)
Idaho Outfitters and Guides Licensing Board (IOGLB)
Foundation for North American Wild Sheep
Idaho Travel Council
US Forest Service

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Executive Summary

Idaho Outfitters and Guides Economic Contribution To The Idaho Economy 1993

In the Fall of 1993 the Idaho Outfitters and Guides Association contracted with the Department of Resource Recreation and Tourism at the University of Idaho to assess the economic contribution of the outfitting industry and it's clients to the Idaho economy. The following report presents a summary of the Outfitting and Guiding Industry's Contribution to the Idaho Economy and an analysis of the outfitted clients.

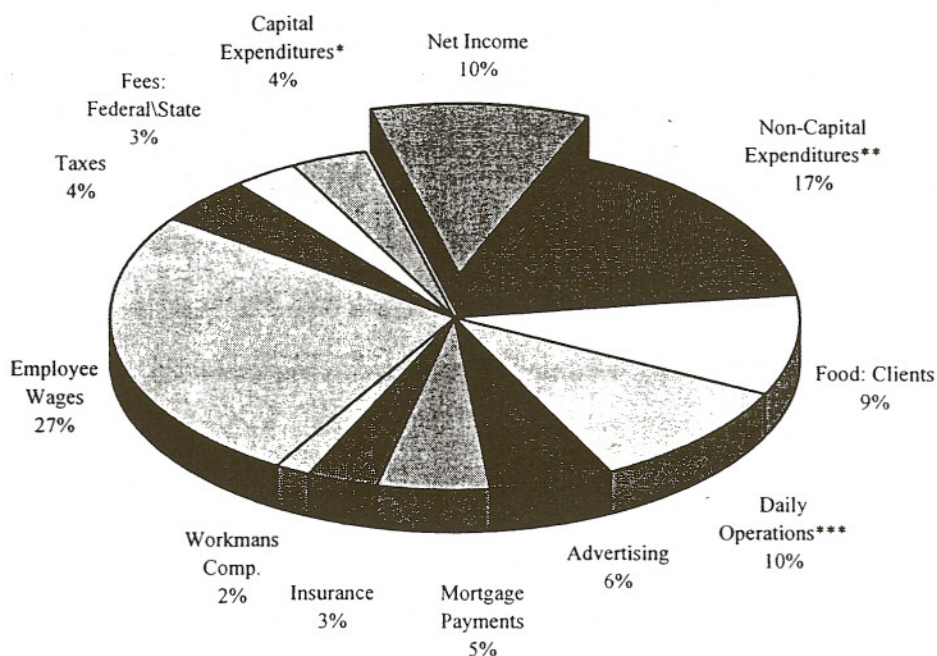
Comprised of some 374 small businesses spread across the state, the outfitting and guiding industry in Idaho is a stable and substantial contributor to Idaho's economy. Many indicators of their contribution are

- ◆ Outfitters have been in business an average of 14.5 years
- ◆ The average outfitter has been operating in Idaho for 13 years
- ◆ The industry generates a substantial amount of economic activity in Idaho. The total gross revenue attributed to outfitting and guiding activities in Idaho is in excess of \$22 million.

Outfitting represents on average approximately 67% of a proprietor's income. Many outfitters work other jobs to make ends meet.

For this report, calculations of net income, took into account the depreciation for capital expenditures as one-fifth of the total dollar figure reported. Results, based on actual reported financial data, indicate that the typical Idaho outfitters net 10% of their gross revenue.

Outfitter Expenditures and Net Income



* One fifth of total capital expenditures reported to account for depreciation

** Includes: lodging, building maintenance, food for animals, misc. other expenses

*** Includes: utilities, fuel for daily operations, and transportation

Although the outfitting and guiding industry is not be the largest economic sector in Idaho, it plays a significant role in many rural communities and counties. The outfitting and guiding industry has additional economic consequences in Idaho. Outfitting is classified as an export base industry in this state. This means that they are responsible for money inflows into local economies. This inflow of money causes additional economic activity within the local economy. This inflow of money causes activity in local services to increase by a multiple of the original stimulus. In other words, the initial direct funds infused into the local economy are spent and re-spent by the respective businesses where the outfitter made purchases.

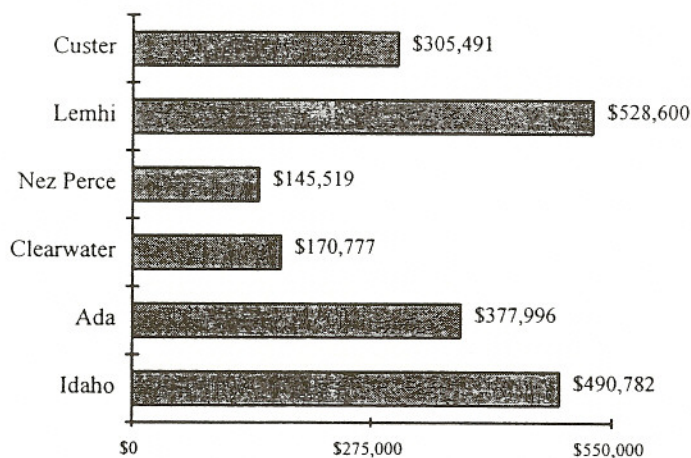
For this report a set of multipliers were used that have been developed for each economic region in the state of Idaho by Agricultural Economist Hank Robison. Multipliers can either be income or employment

type II multipliers. Multipliers are generated for each of the Standard Industrial Classification (SIC) codes. The revenue generated in the Outfitting and Guiding industry does not fit neatly into one particular SIC code. We applied the income multipliers to calculate how much of an impact outfitting expenditures

Outfitters incurred 81 percent of their total expenditures in Idaho to run their businesses. Twenty-seven percent of their revenue went directly into employee wages. The money outfitters spent beyond wages in Idaho generated additional earnings in all sectors of the local economies where they purchased goods and services. The total additional earnings generated by direct expenditures for the six counties listed below is \$2,019,165.

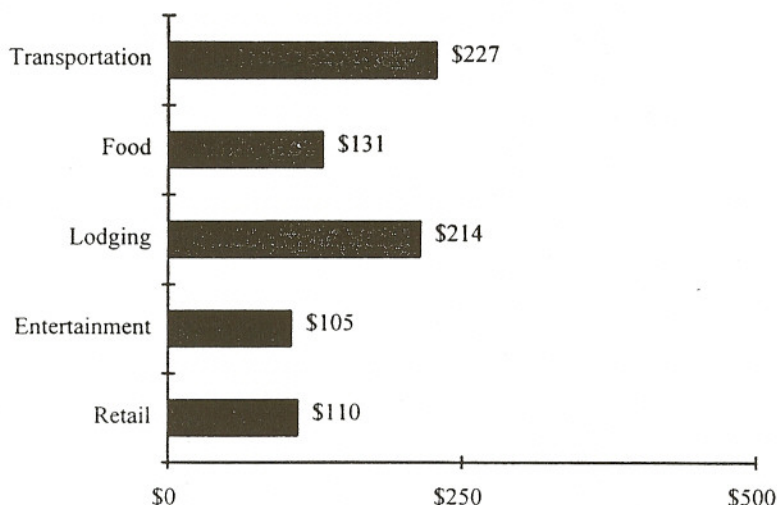
- ◆ The total estimated wages paid to outfitting and guiding employees is \$5,688,923
- ◆ Outfitters incur in excess of \$5.6 million in expenses in Idaho.

Additional Earnings Generated By County



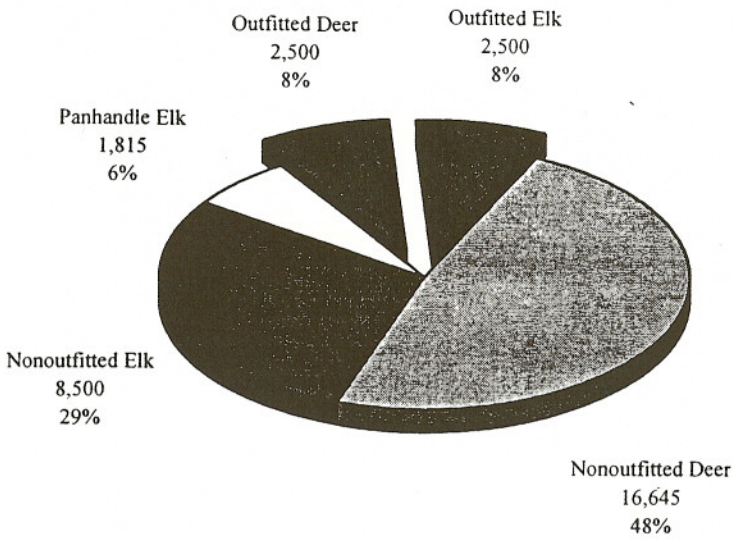
The clients of the outfitter and guiding industry contribute economically through the fees they pay as well as additional expenditures in Idaho. Outfitted clients spent on average **\$449** per party per visit on expenses other than outfitter fees. Clients spent the most on average for transportation and lodging.

Average Expenditure Per Party Per Visit by Type



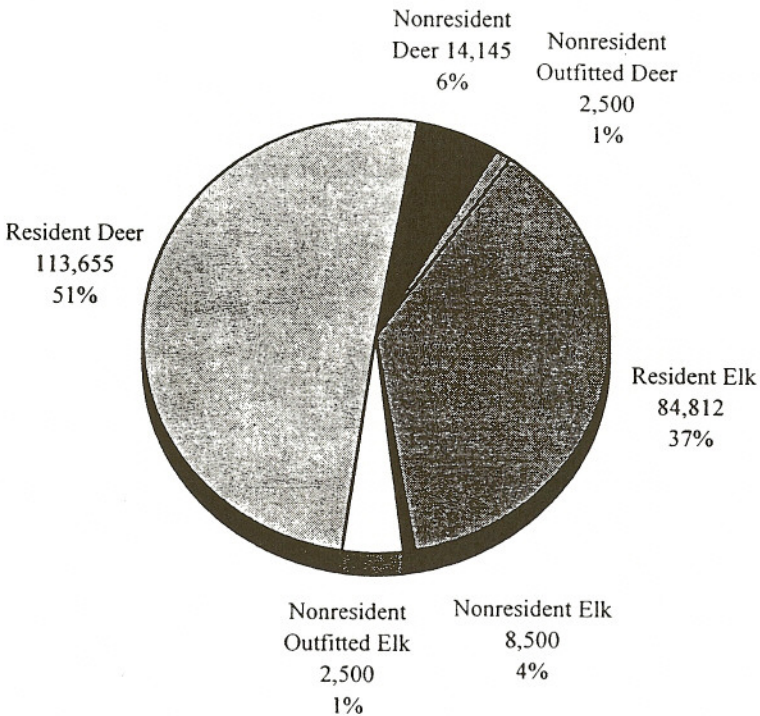
IOGLB records show that the total number of tags issued to outfitted clients in 1993 was: 2,500 elk hunting tags, 2,500 deer tags, 22 bighorn sheep tags, 598 bear tags, and 298 cougar. In 1993, of the 31,248 non-resident hunting tags sold only 5,000 or 16 percent, were sold to the non-resident outfitted public.

NONRESIDENT TAGS



Note: 2,500 non-resident deer and 2,500 nonresident elk tags sold to outfitter clients.

TOTAL RESIDENT AND NONRESIDENT DEER AND ELK OPPORTUNITIES



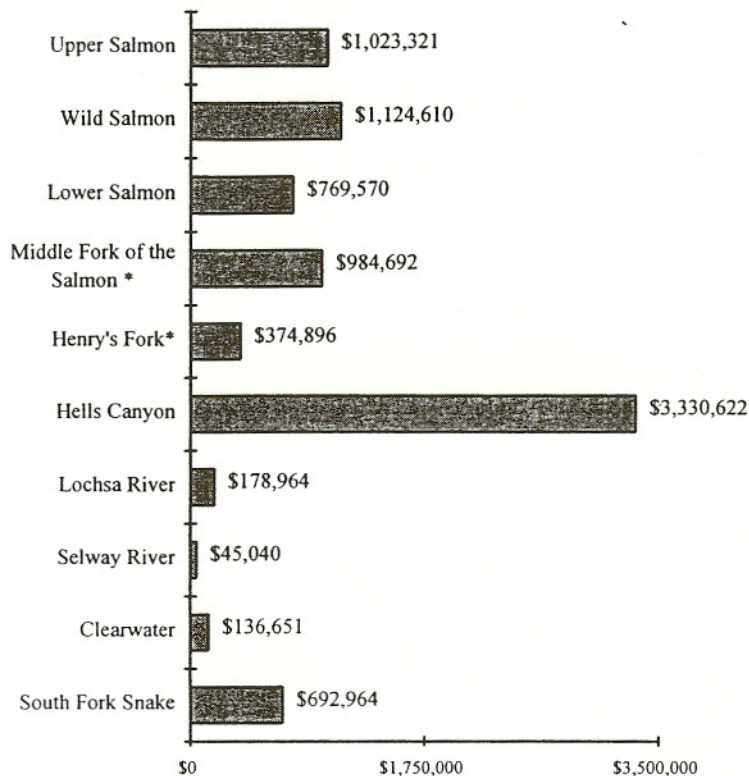
Although outfitted tags represents only a portion of the total tags issued by Idaho Department of Fish and Game, clients holding these tags generated a substantial amount of revenue. The average gross revenue generated per tag for the following groups of hunters is:

- ◆ \$669 in revenue per elk tag
- ◆ \$541 in revenue per deer tag
- ◆ \$735 in revenue per bear tag
- ◆ \$830 in revenue per cougar tag
- ◆ \$1,412 in revenue per sheep tag

Based on hunting client data collected, they spent on average 8.8 days on an outfitted hunting trip and an average overall trip length of 13.7 days. Overall trip length includes any time clients spent in Idaho either before or after the actual outfitted trip. This means that they spent on average 4.7 days in the state on either side of their trip. The total average expenditure per person per day is **\$85.55** for those days they are not on their outfitted trip. The results from the client data that they spent on average **\$2,226** per person on fees. The average outfitted trip length was 8.8 days, which represents approximately **\$257** per outfitted hunting client per day.

The total estimated revenue generated by float boating and power boating activities was \$10,940,835. The average revenue per client for these activities is \$115. Fishing outfitted trips represent an estimated \$2,958,873. The average revenue per fishing client is \$54. Because these activities sometimes overlap, the combined average estimated revenue for the top seven rivers reveals the magnitude of the river outfitting industry.

COMBINED ESTIMATED REVENUE BY MAJOR RIVER SECTION



* : Combined estimates for float boating and fishing only

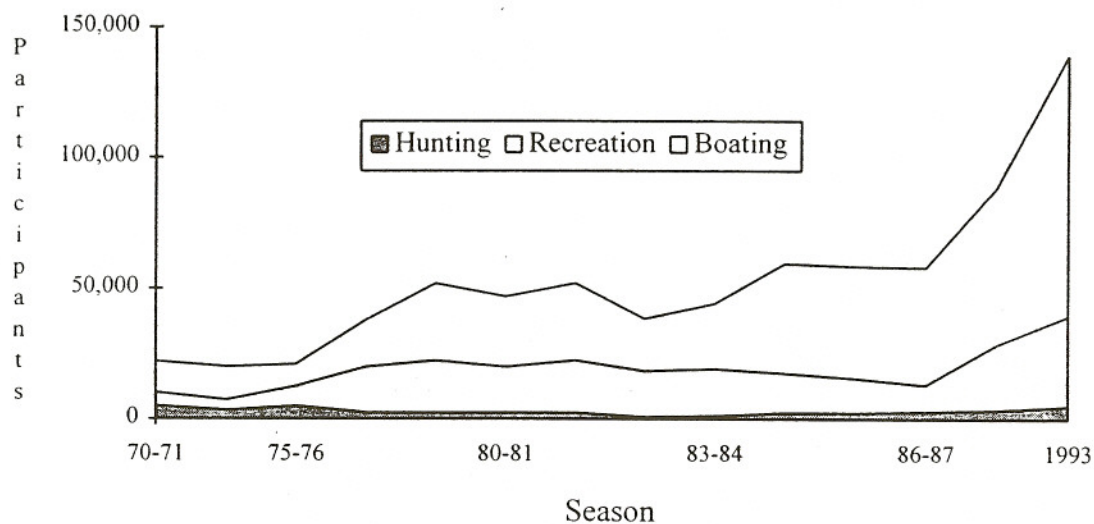
Note: Estimates represent revenues based on average per client revenue.

There are many other types of outfitting activities that occur in Idaho. Presented below are some highlights of those activities.

- ◆ The total combined estimated average revenue generated by outfitted pack trips and trailrides is \$984,995
- ◆ The total estimated average revenue generated by winter sports such as cross country skiing and snowmobiling outfitted activities is \$78,987
- ◆ The total combined estimated average revenue generated by outfitted photography trips, backpacking, climbing and day hikes is approximately \$22,291

Outfitters offer a wide variety of outdoor recreation activities. Some of those activities include big game hunting, whitewater rafting, trophy fishing experiences, cross country skiing. There has been a steady increase in the participation specifically in the boating segment of the industry.

GUEST PARTICIPATION



Another important contribution of this report is the outfitted client analysis. Slightly more than 300 hundred clients responded to the survey.

The top three reasons for choosing an Idaho outfitted vacation versus another type of vacation was:

- ◆ Wanted outdoor oriented vacation.
- ◆ The outfitter has made my trip to Idaho welcoming.
- ◆ Always wanted to take a trip of this specific type.

The top three reason clients choose an Idaho outfitted vacation versus a trip outfitted in another state was:

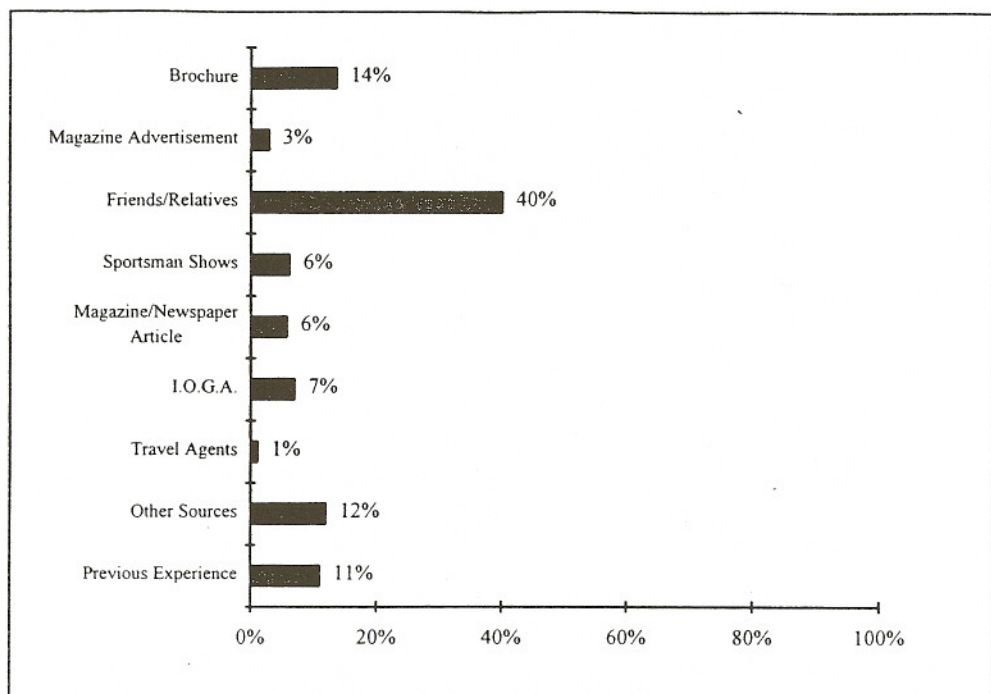
- ◆ Services offered by Idaho outfitter for the trip.
- ◆ The unique location the outfitted trip was going to cover. (i.e., Middle Fork Salmon River, Selway Bitterroot Wilderness, etc.)
- ◆ The abundant natural beauty.

The top three reasons clients had for selecting the particular outfitter for their trip was:

- ◆ The outfitters reputation in the area.
- ◆ Choice of types of services and equipment offered. (i.e., number of days, combined trips, etc.)
- ◆ First impression of outfitter. (i.e., phone contact)

Word of mouth (family and relatives) is the most often used and most influential source of information that clients used in their decision making process. Specific brochures, magazine advertisements, sportsman shows, the IOGA, and magazine/newspaper articles were also influential.

Most Influential Source of Information

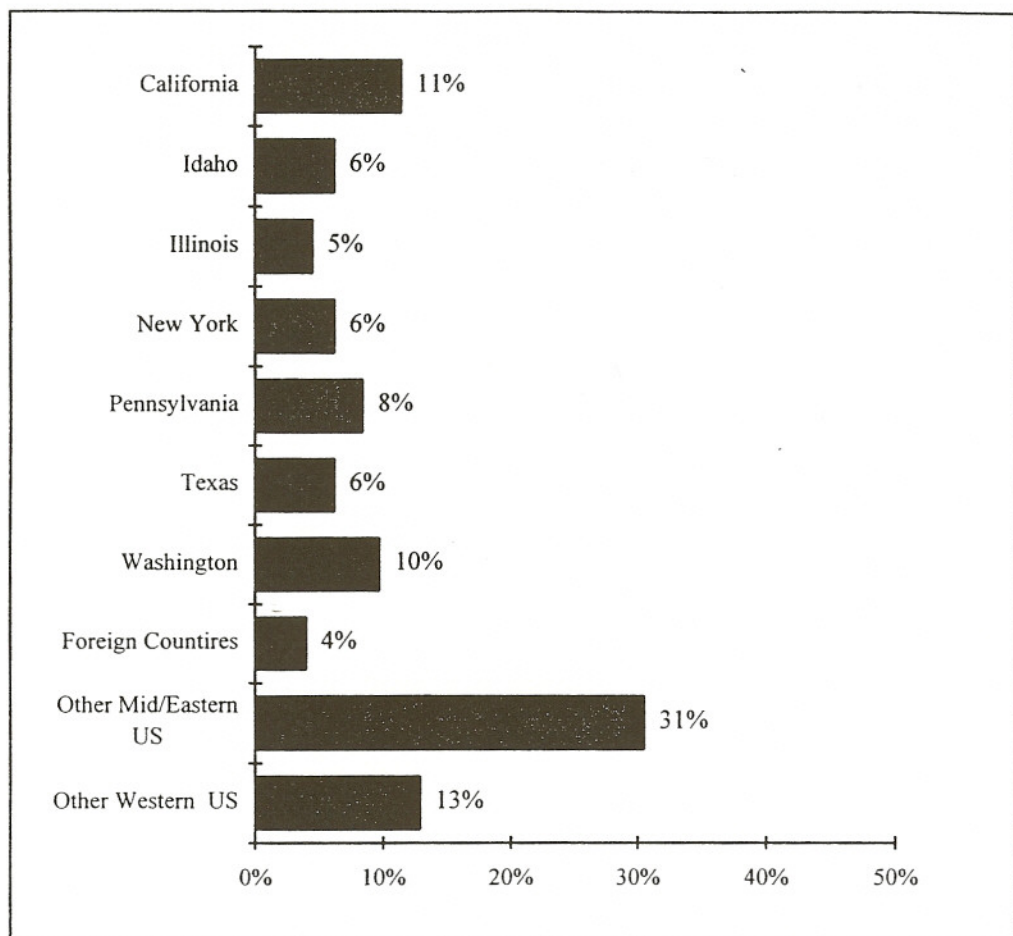


Other includes: RMEF, outfitter reputation, outfitter references, etc.)

Clients came to Idaho from across the United States and several foreign countries. The largest portion came from the Mid/Eastern US (31%), however, each state reported as Mid/Eastern US consists of a relatively small (< 4%) percentage of the total visitation. Other western states, California, Washington, and Pennsylvania contributed significantly.

The average outfitted trip length for all clients was 7 days. The average total trip length for all respondents was 10 days.

Residency



Approximatley 60 percent of the clients flew to Idaho and 34 percent drove in private vehicles. Once in Idaho, 58 per cent used private vehicles, 34 per cent used rental cars, and private and commercial planes were used by 10 percent for each.

Those that responded to the survey were primarily (83 %) married. The range of ages was from 20 to 81 years of age with the median age being 47 years old.