

Spending Patterns of Selected Alaska Bear Viewers: Preliminary Results from a Survey

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Introduction

The Institute of Social and Economic Research (ISER) at the University of Alaska Anchorage developed and conducted a Web-based survey of 219 traveling parties who went on a bear viewing excursion from the Homer area during the summer of 2004. All of the bear viewing excursions were taken with one business.¹ The survey was developed in February 2005 and administered over the Web during the period 11 February through 2 March 2005. Respondents were contacted by individual email messages using email addresses that they had voluntarily provided at the time of their excursion.

We received 167 usable responses, which is a 76% overall response rate. This response rate is comparable with telephone surveys and exceeds the range of 50-65% typically achieved by the best postal mail surveys, such as the surveys of hunters done for ADF&G in 1992 by McCollum and Miller.² It was not possible for any respondent to respond more than once to our survey.

The unit of data collection is the traveling party. We asked each survey respondent to report expenditures for their entire party. We also allowed them to answer for themselves alone when necessary and to indicate which approach they were taking.

Characteristics of bear viewers

Most bear viewers (69%) in the sample come from lower-48 U.S. states. About 20% come from foreign countries. Only about 10% come from Alaska. About one-third of the respondents stated that bear viewing was the primary purpose of their trip to Alaska. People in the sample spent an average of about 17 days on their trips – far longer than the overall Alaska summer tourism average of about 10 days.³

¹ Emerald Air Service

² McCollum, D., and Miller, S. 1994. Nonresident hunters: their hunting trip characteristics and Economics. Alaska Dept of Fish and Game. (333 Rasberry Rd, Anchorage AK 99518).

³ All comparisons to “average Alaska summer visitors” are based on the year 2001 data from the Alaska Visitor Statistics Program. Northern Economics, 2002. *Alaska Visitor Expenditures and Opinions, Summer 2001*. Prepared for State of Alaska Dept. Community and Econ. Development. www.northerneconomics.com

Table 1: Characteristics of the sample

Summary Characteristics of Respondents

Number of respondents (= number of parties)	167
total number of people represented	545
Average party size	3.3
Residence	
primarily from Alaska	45 people, or 10%
primarily from other U.S. states	297 people, or 69%
primarily from other countries	91 people, or 21%
total respondents answering	433 people, or 100%
Was bear viewing primary trip purpose?	
Yes	173 people, or 32%
No	372 people, or 68%
Average length of stay in Alaska	
	16.6 days
primary purpose bear viewers	14.4 days
others	17.6 days

Overall spending patterns

Our experience with conducting and analyzing expenditure surveys of Alaska travelers and recreationists makes it clear that the best way to initially approach the data is to consider **total spending by the entire group in the sample**. By doing this we are taking the statistical average over the largest possible sample and we avoid numerous problems that would otherwise arise.

We coded all expenditure data into 8 mutually exclusive categories. Although some people may have classified their spending differently than others, by using total spending we get around this problem for the purpose of estimating the overall economic importance of bear viewing to the tourism industry. We also use an adjustment for lump sum estimates to take accurate account of data that was reported to us a single lump-sum amount for the respondent's entire trip.

It is also important to note that the spending estimates reported here are **conservatively low** for items such as airfare, lodging within Alaska, food, etc. That is because we are including many data points for which spending estimates are incomplete for some categories. For example, one respondent said that they could not estimate lodging expenditures because they were "all over the state for 4 months". A response such as this was coded as zero. Numbers for the money spent on the primary bear viewing trip are quite accurate, with very few empty data cells.

The spending categories and overall amounts spent per person in the sample are shown in Table 2.

Table 2: Spending by the entire sample (167 parties; 545 persons)

	total dollars	dollars per person
Wildlife excursions		
Bear-viewing (primary) excursion	283,218	520
Secondary wildlife excursion	51,130	94
Third wildlife excursion	20,958	38
Transportation To/from Alaska		
Airfare to/from Alaska	244,874	449
Other transportation to/from Alaska	191,502	351
Additional spending within Alaska		
Lodging within Alaska	217,267	399
Transportation within Alaska	105,050	193
Food and Beverage	103,433	190
Other	180,961	332
Adjustment for Lump-sum estimates	142,797	262
Grand Total	1,541,191	2,828

By comparison with \$2,828 per person per trip spent by bear viewers, the average summer Visitor⁴ to Alaska spends about \$1,400.⁵ (Although that total attempts to exclude transportation to/from Alaska, while we do include those amounts). Bear viewers spend roughly twice as much per person per trip as average Visitors for two reasons. First, they stay 16.6 days instead of 10 days. Second, they spend about \$162 per person per night while the average Visitor spends about \$140 per person per night.

Primary purpose bear viewers

About one-third of the sample, or 59 parties, stated that bear viewing was the primary purpose of their trip. These people spent \$3,670 per person per trip, which is 55% more than for the rest of the sample and is more than 2.6 times as much as the average summer Visitor spends in-state.

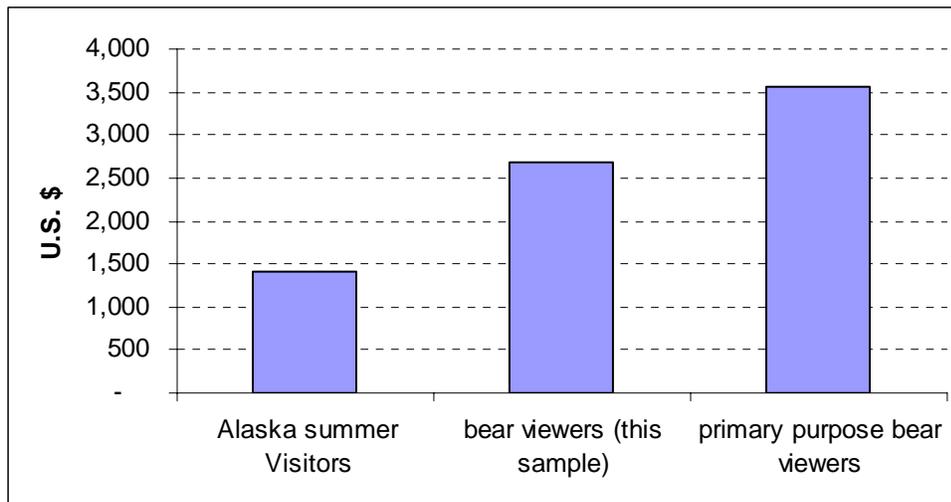
⁴ We use the capital V in Visitor to refer to nonresidents. There are no current data on Alaska resident travel expenditures.

⁵ \$1,258 per person per trip in 2001, adjusted for inflation.

Table 3: Spending by people whose primary purpose for coming to Alaska is bear viewing (59 parties; 173 persons)

	total dollars	dollars per person
Wildlife excursions		
Bear-viewing (primary) excursion	104,117	602
Secondary wildlife excursion	27,630	160
Third wildlife excursion	12,466	72
Transportation To/from Alaska		
Airfare to/from Alaska	97,024	561
Other transportation to/from Alaska	89,384	517
Additional spending within Alaska		
Lodging within Alaska	79,025	457
Transportation within Alaska	53,753	311
Food and Beverage	52,611	304
Other	110,759	640
Adjustment for Lump-sum estimates	8,200	47
Grand Total	634,968	3,670

Figure 1: Spending per person per trip



Discussion and Conclusions

These results are preliminary. Economic expenditure surveys are necessarily messy and incomplete. In this case respondents are recalling numbers from 6 months ago. In considering these weaknesses of the data it is important to keep the following points in mind. First, respondents were informed last summer that they might be receiving this survey. Many kept their records as a result. Second, when respondents could not remember the amount of an item, they generally left it blank, which was the same as entering “zero.” We did not impute numbers into these empty data cells. Therefore, it is almost surely true that the above numbers are lower bound estimates of true spending patterns. Third, for this analysis we have aggregated expenditures across categories, locations, and types of people. This approach keeps the amount of required data “cleaning” to a bare minimum and lets the numbers speak for themselves. Although each person’s individual data may be “noisy,” the averages reported above are solid.

Finally, it is important to note that numbers such as these should be extrapolated to the overall population with great care. Our sample represents the users of one type of excursion from one vendor. The survey by itself does not tell us anything about how many people, overall, are viewing bears as a principal part of their trips to and within Alaska. By definition, it also cannot tell us whether our sample is representative of bear viewers in general, or bear viewers who go to Southeast Alaska. That’s because the sample was initially constructed from a distinct group rather than being drawn from the general population of people visiting Alaska or the general population of bear viewers.

These results will change somewhat as we refine the coding of some responses and make other adjustments. Total estimated expenditures per person are almost certain to increase. The main conclusion is that bear viewers spend significantly more money than the average Alaska Visitor. Primary purpose bear viewers spend about 2.6 times as much – more than \$3,600 per person per trip.