



VISIT SANTA BARBARA

2016 Cruise Ship Passenger Survey
& Economic Impact Study

Final Report of Findings

December 2016

Research Overview & Objectives



Image of a cruise ship. Source: Shutterstock

This report presents the findings of a visitor study and economic impact analysis conducted on the Santa Barbara cruise industry by Destination Analysts on behalf of Visit Santa Barbara.

In 2016, twenty-nine cruise ships with a total of 80,831 passengers visited Santa Barbara. An estimated 80 percent of these passengers disembarked and spend at least part of the day in Santa Barbara and surrounding communities.

Collecting accurate spending data from these visitors was key to the project's success—as one of the key goals of this project was to make estimates of total visitor spending generated for the destination.

Methodology

To collect this data, Destination Analysts conducted a survey of cruise line passengers on 5 different cruise ships as they re-boarded their ships after a day in Santa Barbara (3 cruise ships were surveyed in 2013). The cruise ships were specifically selected in order to obtain an even representation of both budget and luxury cruise lines as was done in the 2013 Cruise Ship Passenger Survey. The brief 14-question questionnaire was self-administered, and respondents were given a small gift (a Santa Barbara-themed eyeglass cloth) for their participation. In total, 804 completed surveys were collected.

Survey topics included travel party size, purchase of excursions from the cruise line, place of origin, activities participated in, satisfaction with their stay, expectations to return and the amount spent in Santa Barbara.



Destination Analysts' survey team member surveying cruise ship passengers near the waterfront.



EXECUTIVE SUMMARY

Executive Summary

Economic Impact Estimates

- **The total economic impact of the cruise industry to Santa Barbara in 2016 is estimated to be \$3,908,599, up 61 percent from 2013.** (Page 9)
- **These very positive changes are driven by two factors, increased passenger volume and higher per-day spending in Santa Barbara by cruise visitors.** Passenger volume in the three year period grew 56 percent, while per day passenger spending also increased modestly. (Page 9)
- **Cruise passenger economic impact affects the City of Santa Barbara through diverse types of spending, as well as taxes and fees paid to the city.** The largest components of spending are restaurants (36.7%), retail (31.9%) and other passenger fees (14.2%). Overall the cruise industry injected nearly \$647,000 into the city's coffers in 2016. (Page 10)

Santa Barbara Cruise Passenger Details

- **Over half of Santa Barbara cruise line passengers were first-time visitors to the destination.** In total, 56.4 percent of cruise ship passengers surveyed in 2016 said it was their first visit to Santa Barbara. (Page 12)
- **A majority of Santa Barbara cruise ship passengers were traveling with their spouse or significant other.** Over half of survey respondents said they were traveling with one other person (53.1%), while one-in-five were traveling with a group of friends or coworkers (21.6%). (Page 13)
- **Over 30 percent of respondents booked the Santa Barbara excursion through the cruise ship.** In total, 31.8 percent of cruise ship passengers surveyed said they booked their excursion through the cruise line, up from 24.1 percent in 2013. (Page 14)

Executive Summary (continued)

Santa Barbara Activities

- **Santa Barbara cruise line passengers engaged in a variety of activities while in the destination—with sightseeing and shopping being the most common.** Nearly two-thirds of respondents said they went sightseeing (62.5%) and/or shopping (61.1%) while in Santa Barbara. (Page 15)
- **General sightseeing was cited as the most enjoyable Santa Barbara activities in the minds of cruise passengers surveyed.** The survey asked cruise ship passengers, in an open-ended format, to share their most enjoyable activity in Santa Barbara. One-in-five respondents said general sightseeing (21.0%), while another 12.2 percent said they enjoyed dining in restaurants. (Page 17)

Santa Barbara Daily Spending

- **Cruise ship passengers reported spending an average of \$109.25 per travel party on excursions, meals and shopping while in Santa Barbara.** This is comparable to spending estimates collected in the 2013 Cruise Ship Passenger Survey where the average reported spending was \$100.30. (Page 18)
- **The \$109.25 spending in Santa Barbara covered 2.3 persons on average.** Thus, it is estimated that the average Santa Barbara cruise ship passenger spends \$47.50 during their visit to the destination. (Page 19)

Satisfaction Metrics

- **Santa Barbara provides a highly satisfactory visitor experience.** Nearly all cruise ship passengers surveyed were “Satisfied” (19.4%) or “Very satisfied” (77.5%) with their Santa Barbara visit. This is comparable to the findings in 2013 where 20.0 percent of respondents were “Satisfied” and 76.7 percent were “Very satisfied.” (Page 20)
- **Santa Barbara’s scenic beauty and overall friendliness were the top attributes that exceeded cruise ship passengers’ expectations.** Survey respondents were asked to think about their experience in Santa Barbara and asked to compare their actual experience in the destination to their expectations before arrival. Nearly 60 percent or more stated that the destination’s scenic beauty (64.0%) and Santa Barbara’s friendliness (58.8%) were better or much better than they had expected. (Page 21)

Executive Summary (continued)

Satisfaction Metrics (continued)

- **Santa Barbara cruise passengers are likely to visit the destination again within the next two years.** In total, 48.7 percent of cruise passengers surveyed said they are likely to return to Santa Barbara within the next 1-2 years, including 7.7 percent who are likely to return within the next 1-2 months. (Page 23)

Transportation Methods Utilized in Santa Barbara

- **Cruise ship passengers utilized a variety of transportation options while in Santa Barbara, with the 50 cent shuttle (36.6%) and tour buses (29.2%) being the most commonly used methods.** Taxis were used by 5.5 percent, while ride-sharing services like Uber and Lyft were used by 2.5 percent. (Page 25)

Helpfulness of Hospitality Desk

- **A large majority of cruise line passengers surveyed found the hospitality desk to be a helpful source for information.** Two-thirds of Santa Barbara cruise passengers said the hospitality desk on shore was “helpful” (13.2%) or “very helpful” (53.4%) in providing information for their Santa Barbara visit. (Page 24)

Recommendations for Improvement

- **Adding more bus lines/improving shuttle service was the top cited recommendation for improvement.** In an open-ended question, Santa Barbara cruise passengers were asked if they had any recommendations for improvement. Beyond improving bus/shuttle service in the area, other top recommendations were “alleviating cruise ship onboarding congestion” (8.5%) and “addressing the issue of homelessness in the area” (7.7%). (Page 26)



ECONOMIC IMPACT ESTIMATES

Economic Impact Estimates

Economic Impact (Annual Totals)

The economic impact of the cruise industry to Santa Barbara is defined here as the sum of total direct visitor spending plus all fees paid by the cruise lines to entities in the destination. Given spending reported in the survey and passenger volumes, we estimate that the cruise industry contributed \$3.9 million to the local economy during 2016, up 61% from 2013. Visitor spending also generates tax revenues and fees for the city of Santa Barbara which are estimated at \$646,674 for the year.

These very positive changes are driven primarily by increased passenger volume, and a modest higher per-day spending in Santa Barbara by cruise visitors.

Figure 1: Economic Impact, Annual 2016

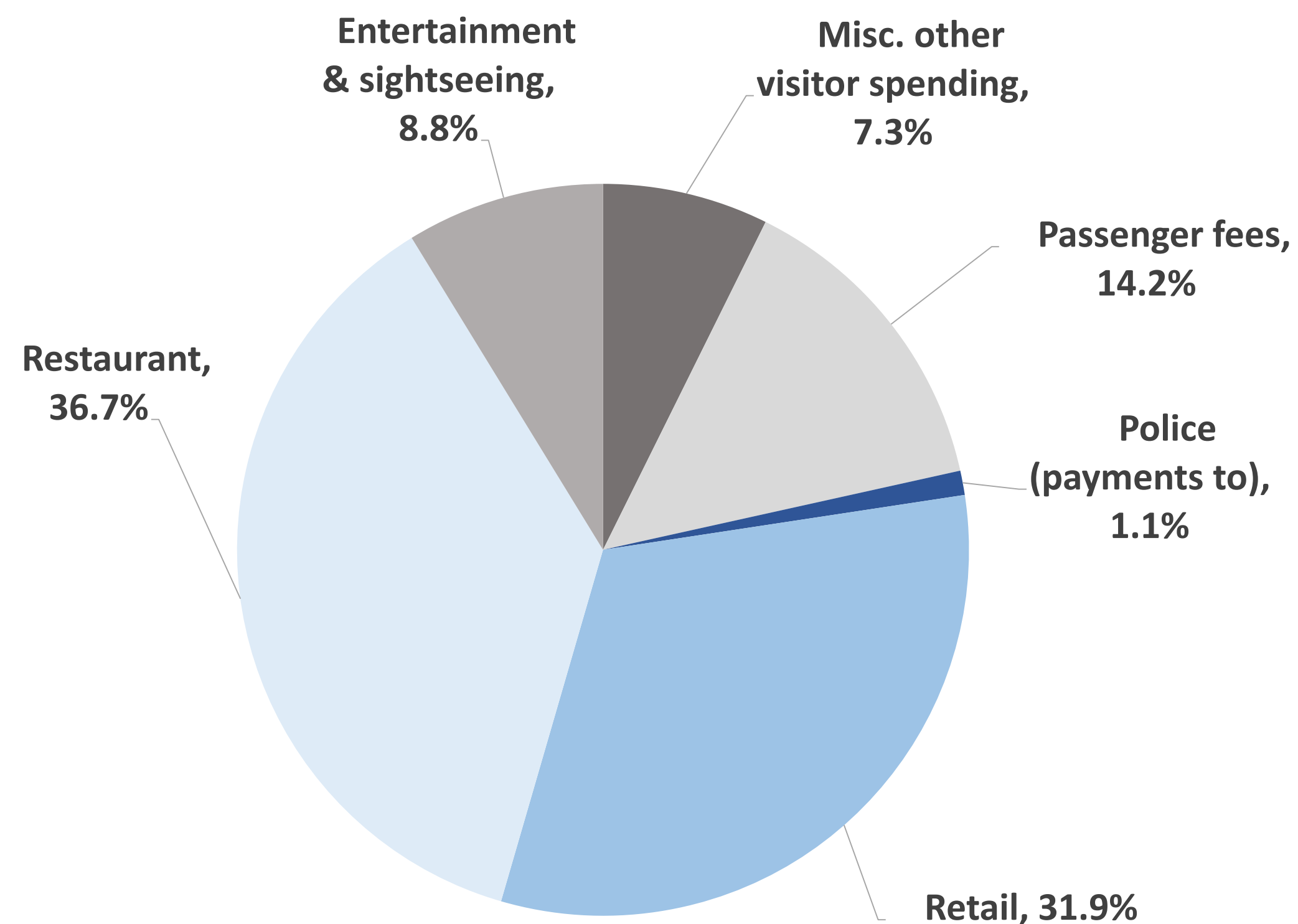
	2013	2016	% Change
Total Economic Impact (Annual)	\$2,426,219	\$3,908,599	61.1%
Number of Cruise Ships	21	29	38.1%
Number of Passengers	51,744	80,831	56.2%
Direct visitor spending			
Retail	\$708,047	\$1,246,573	76.1%
Restaurant	\$739,483	\$1,436,195	94.2%
Entertainment & sightseeing	\$170,775	\$342,361	100.5%
Misc. other visitor spending	\$517,599	\$286,470	-44.7%
Total	\$2,135,904	\$3,311,599	55.0%
Fiscal Impact			
Passenger fees	\$258,815	\$555,000	114.4%
Police (payments to)	\$31,500	\$42,000	33.3%
Sales taxes generated	\$21,359	\$49,674	132.6%
Total fiscal impact (city finances)	\$311,674	\$646,674	107.5%
Excursion-related Economic Activity			
Total Estimated Excursion Spending	\$435,211	\$935,956	115.1%
Leakage	-\$122,869	-\$264,240	115.1%
Excursion-related Economic Impact	\$312,342	\$671,716	115.1%

Impact by Spending Type

Cruise passengers impact the City of Santa Barbara through diverse types of spending, as well as taxes and fees paid to the city. The pie chart at right shows the impact of each category, from spending in restaurants to fees paid to the Santa Barbara police department. The largest contributors are restaurants (36.7%), retail (31.9%) and other passenger fees (14.2%). The city of Santa Barbara added to its coffers through police fees (1.1%), and an additional sales tax contribution* of (\$49,674).

*Not shown on graph as they are included in the spending categories shown in chart.

Figure 2: Estimated Economic Impact, 2016
(Direct visitor spending and governmental revenue by type)





DETAILED FINDINGS

First Time Visit to Santa Barbara

Over half of Santa Barbara cruise line passengers were first-time visitors to the destination. In total, 56.4 percent of cruise ship passengers surveyed in 2016 said it was their first visit to Santa Barbara.

Question: Was this your first visit to Santa Barbara? Base: All respondents. 804 responses.

Chart 1: First Time Visit to Santa Barbara

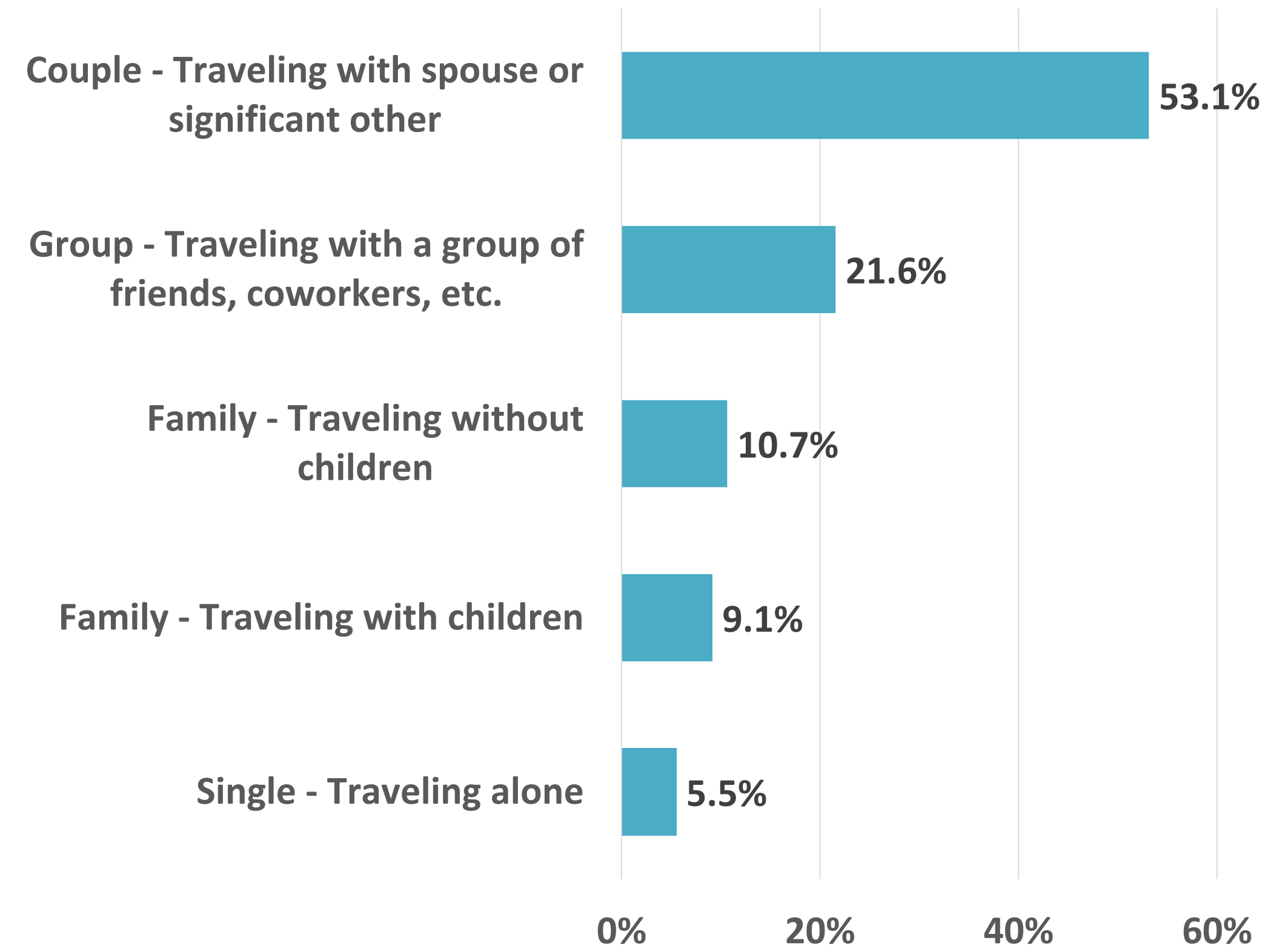


Travel Party Composition

A majority of Santa Barbara cruise ship passengers were traveling with their spouse or significant other. Over half of survey respondents said they were traveling with one other person (53.1%), while one-in-five were traveling with a group of friends or coworkers (21.6%). Additionally, one-in-five respondents were traveling with their family—half of this group were solely traveling with adults (10.8%) and the other half were traveling with children (9.1%). 5.5 percent of Santa Barbara cruise ship passengers traveled alone.

Question: Which best describes your immediate travel party? (Select one) Base: All respondents. 804 responses.

Chart 2: Travel Party Composition

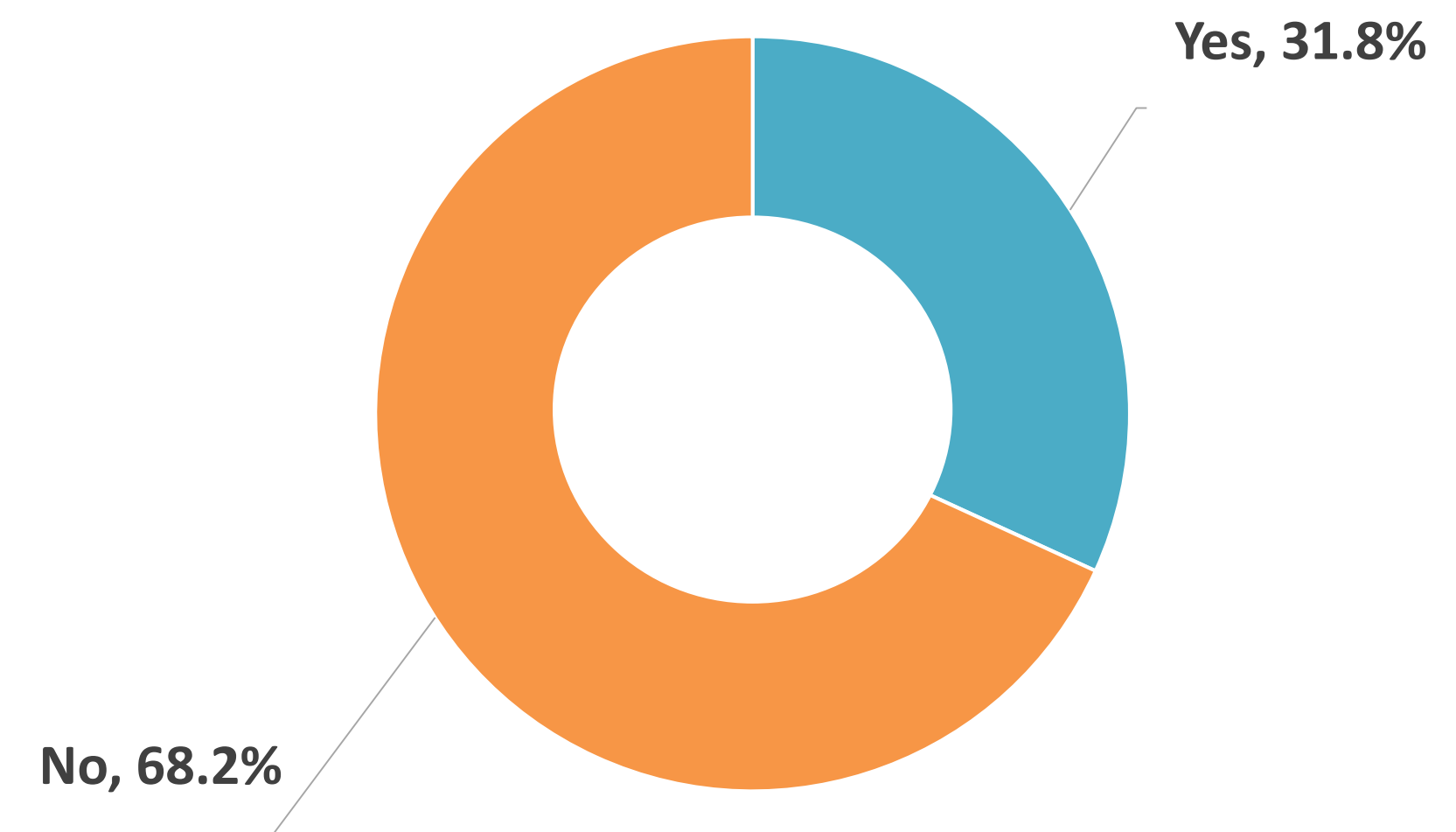


Booked Excursion Through Cruise Ship

Over 30 percent of respondents booked the Santa Barbara excursion through the cruise ship. In total, 31.8 percent of cruise ship passengers surveyed said they booked their excursion through the cruise line, up from 24.1 percent in 2013.

Question: Did you book an excursion for today through the cruise ship? Base: All respondents. 804 responses.

Chart 3: Booked Excursion Through Cruise Ship



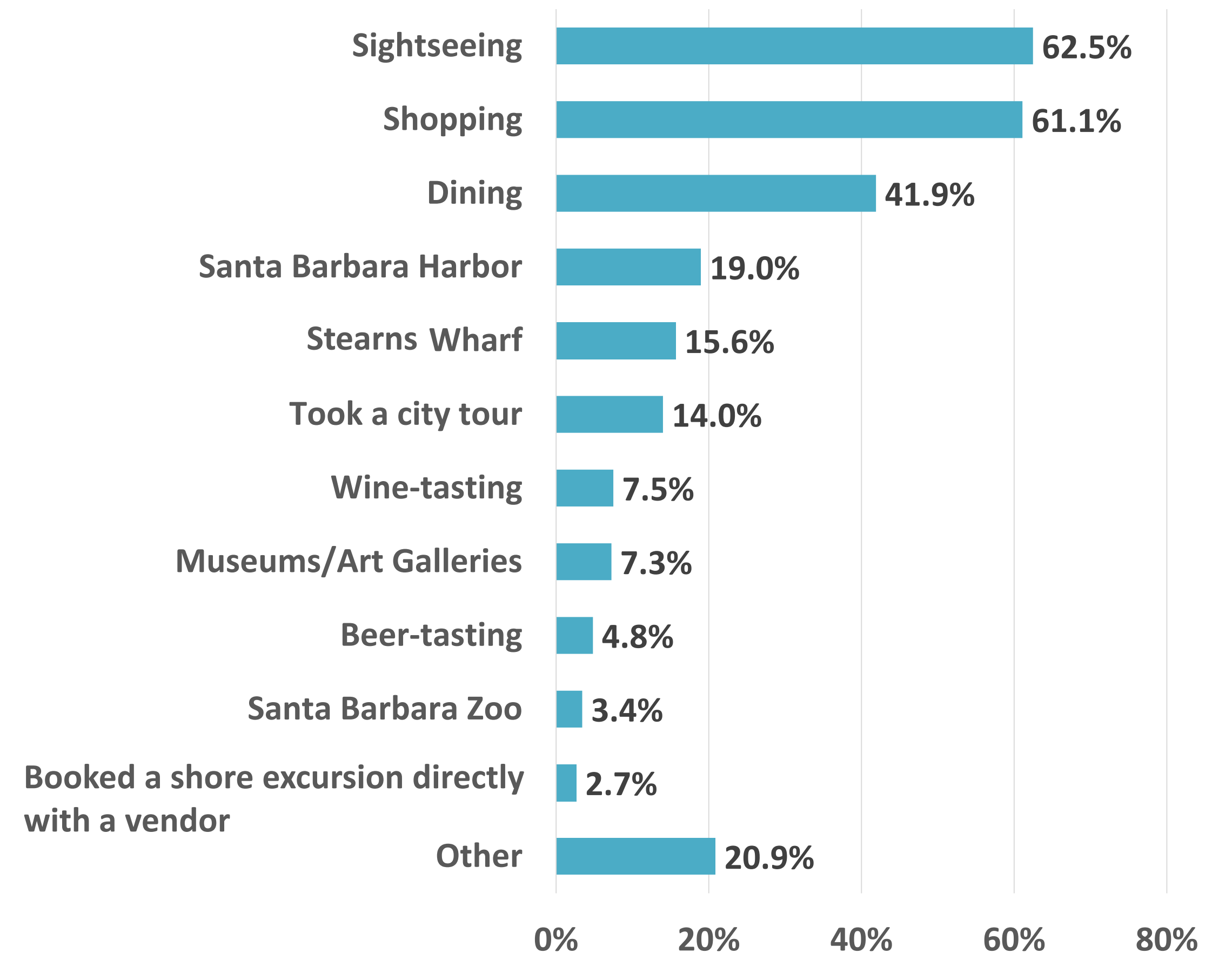
Santa Barbara Activities

Santa Barbara cruise line passengers engaged in a variety of activities while in the destination—with sightseeing and shopping being the most common.

Nearly two-thirds of respondents said they went sightseeing (62.5%) and/or shopping (61.1%) while in Santa Barbara. In addition, four-in-ten cruise line passengers surveyed also dined while they were in Santa Barbara (41.9%). Other top Santa Barbara activities included visiting the Santa Barbara Harbor (19.0%), Stearns Wharf (15.6%) and taking a city tour (14.0%).

Question: If you did not go on an excursion today or if you had time before/after your excursion, what activities did you do during your visit? (Select all that apply) Base: All respondents. 786 responses.

Chart 4A: Santa Barbara Activities

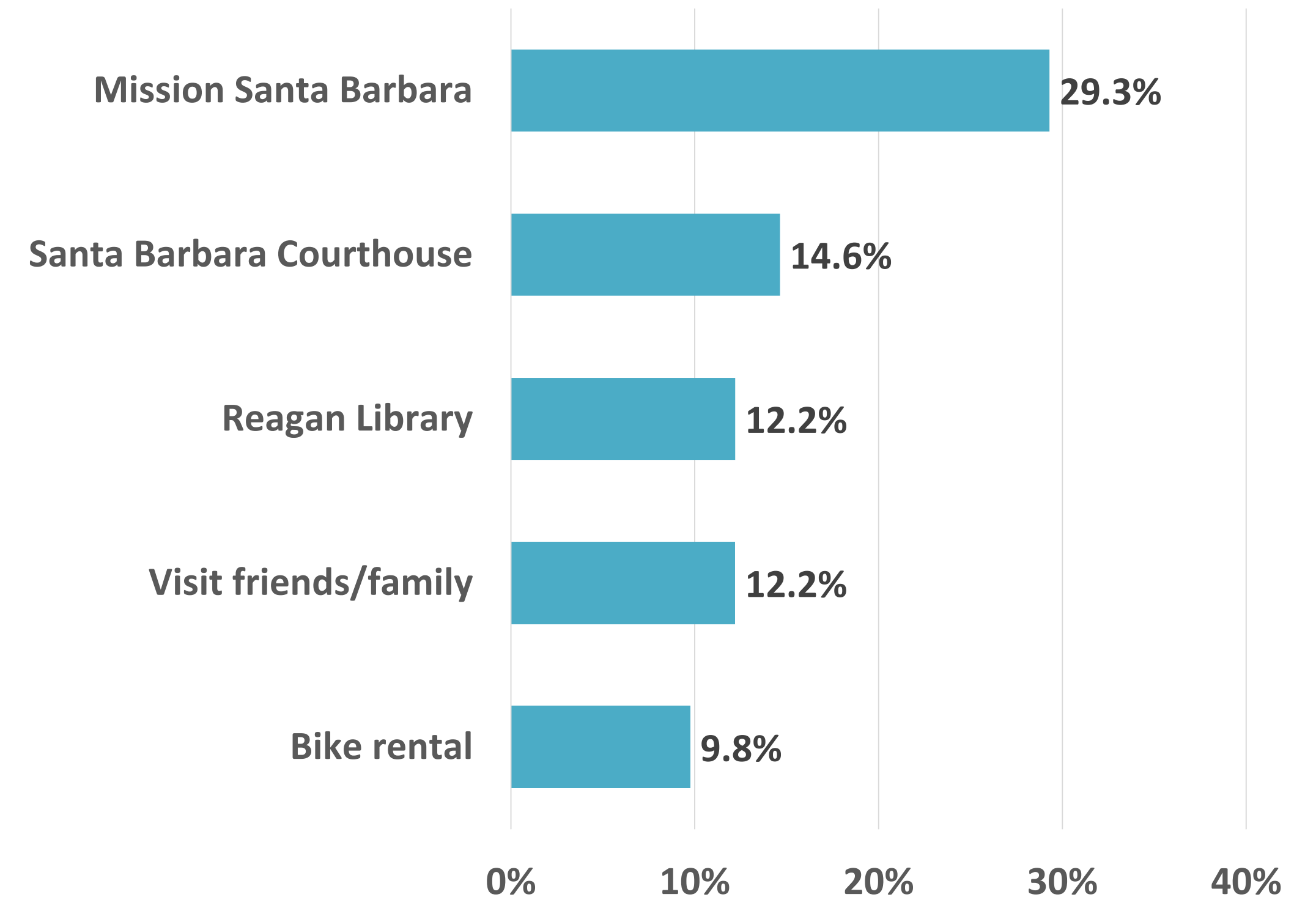


Other Santa Barbara Activities

The top “other” activities respondents reported participating in during their trip were visiting Mission Santa Barbara and visiting the Santa Barbara Courthouse. Of the 20.9 percent of respondents who said they participated in “other” activities (page 11), 29.3 percent went to Mission Santa Barbara and 14.6 percent went to the Santa Barbara Courthouse. Additional “other” Santa Barbara activities this group reported participating in were visiting friends/relatives (12.2%), visiting the Reagan Library (12.2%) and bike rentals (9.8%).

Question: If you did not go on an excursion today or if you had time before/after your excursion, what activities did you do during your visit? (Select all that apply) Base: Respondents who said they participated in “other” activities. 58 responses.

Chart 4B: Other Santa Barbara Activities

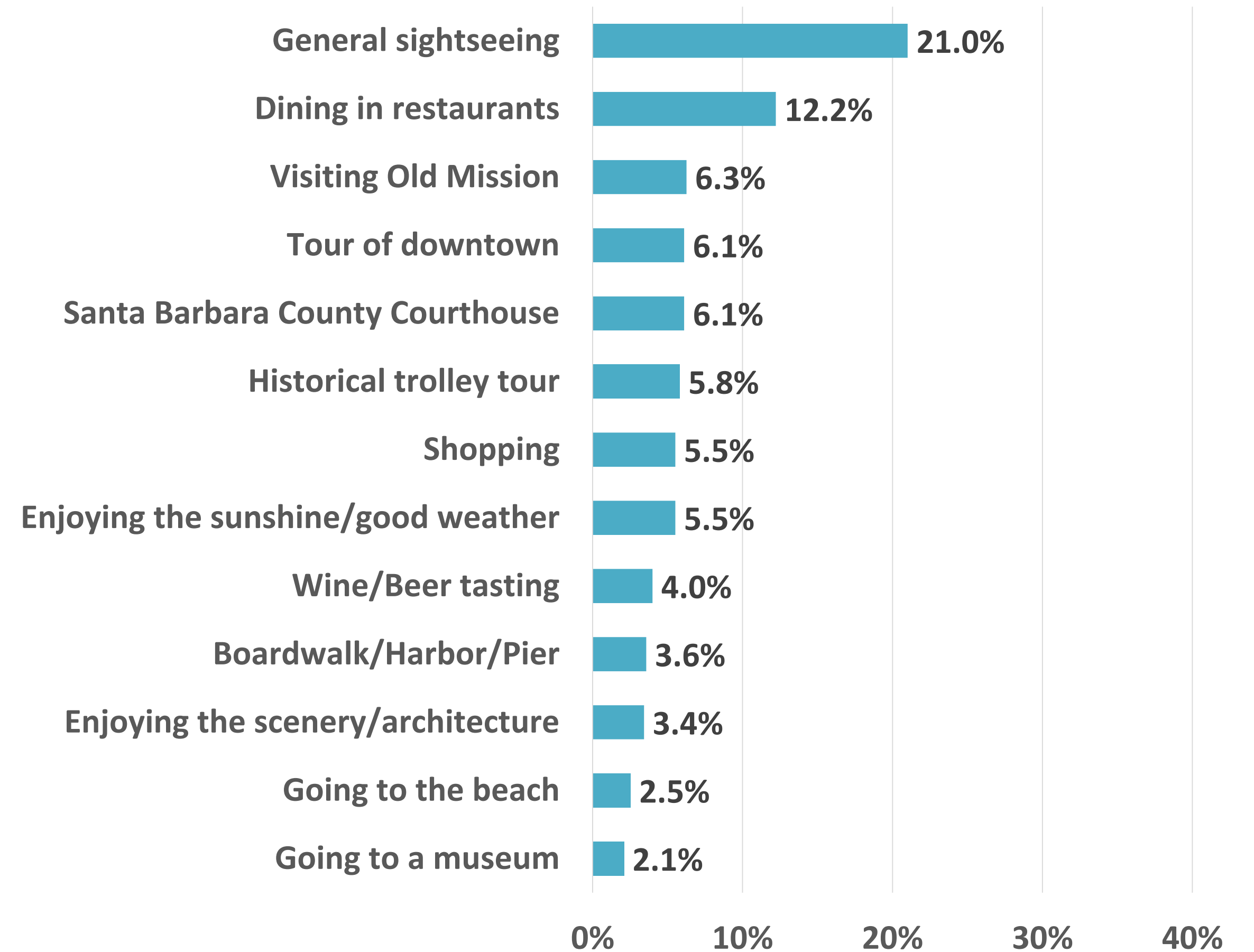


Most Enjoyable Activity in Santa Barbara

General sightseeing was cited as the most enjoyable Santa Barbara activities in the minds of cruise passengers surveyed. The survey asked cruise ship passengers, in an open-ended format, to share their most enjoyable activity in Santa Barbara. One-in-five respondents said general sightseeing (21.0%), while another 12.2 percent said they enjoyed dining in restaurants. Additionally, similar percentages stated they enjoyed visiting the Old Mission (6.3%), tour of downtown (6.1%) and visiting the Santa Barbara County Courthouse (6.1%).

Question: What was the most enjoyable activity you did in Santa Barbara? Base: All respondents. 695 responses.

Chart 5: Most Enjoyable Activity in Santa Barbara

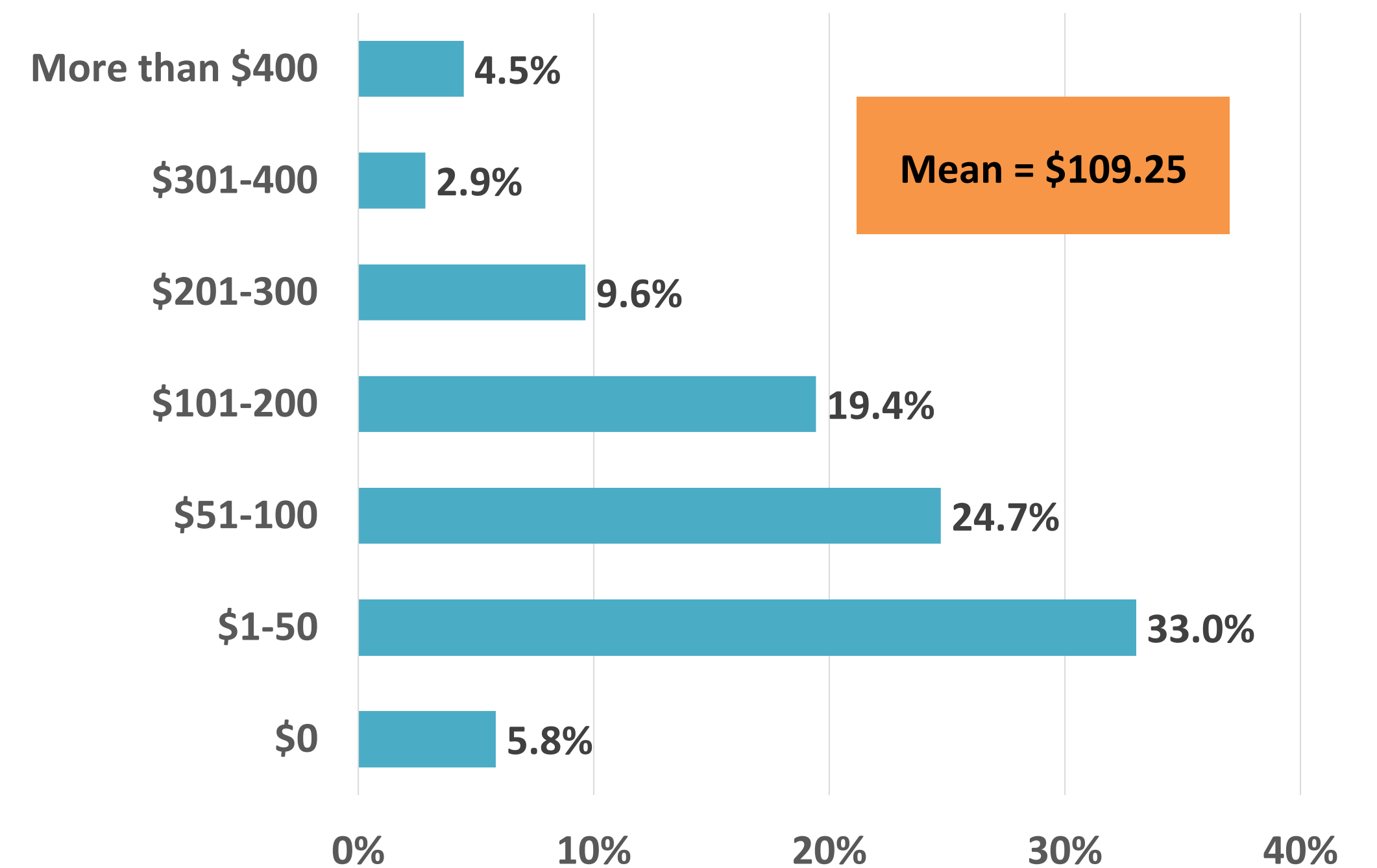


Travel Party Spending in Santa Barbara

Cruise ship passengers reported spending an average of \$109.25 per travel party on excursions, meals and shopping while in Santa Barbara. This is comparable to spending estimates collected in the 2013 Cruise Ship Passenger Survey where the average reported spending was \$100.30.

Question: Please, estimate your total expenditure during your visit here on excursions, meals and shopping if applicable. Base: All respondents. 798 responses.

Chart 6: Travel Party Spending in Santa Barbara



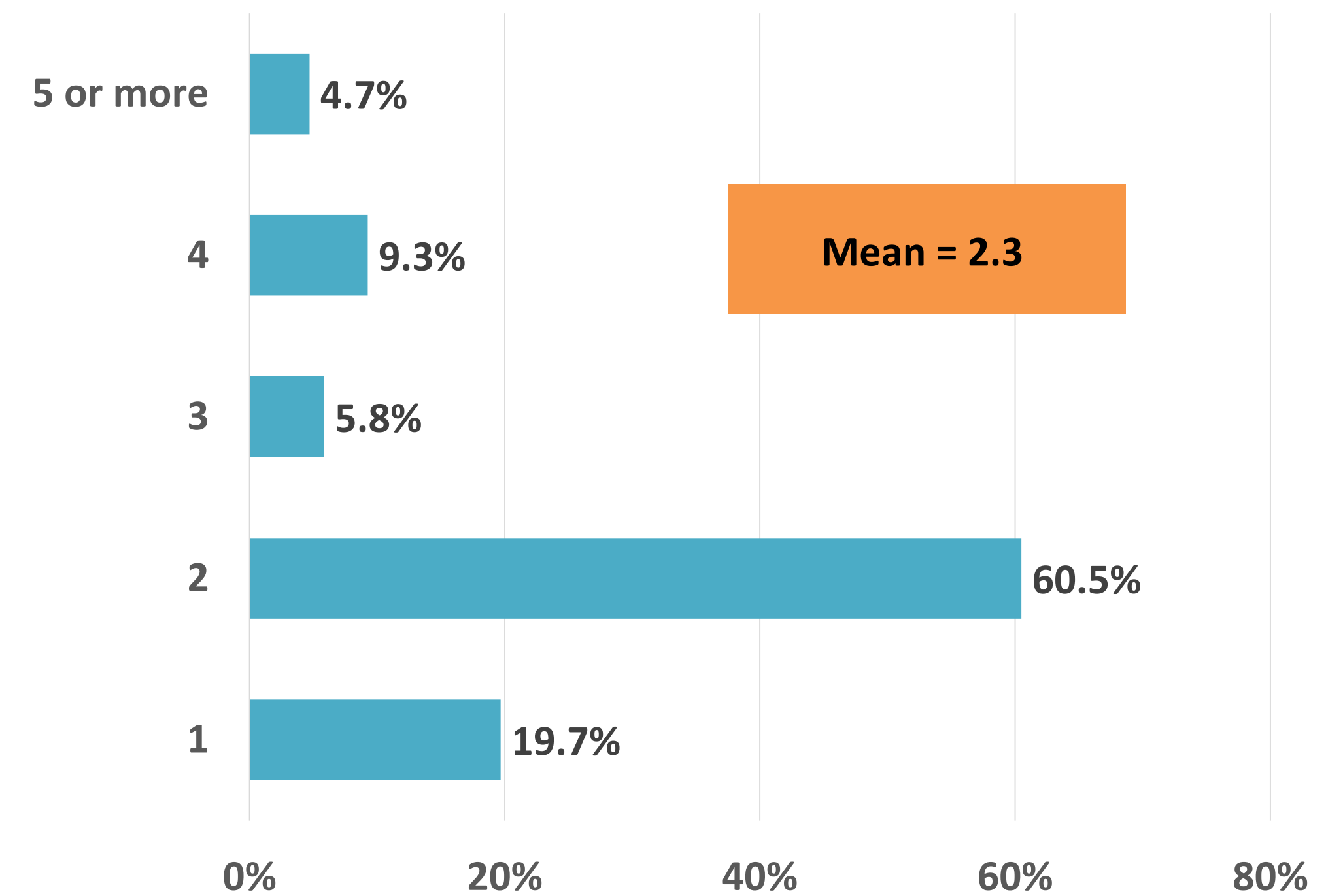
Persons Covered by Reported Spending

The \$109.25 spending in Santa Barbara covered 2.3 persons on average.

Thus, it is estimated that the average Santa Barbara cruise ship passenger spends \$47.50 during their visit to the destination

Question: How many persons expenditures were fully covered by your spending? Base: All respondents. 736 responses.

Chart 7: Persons Covered by Reported Spending

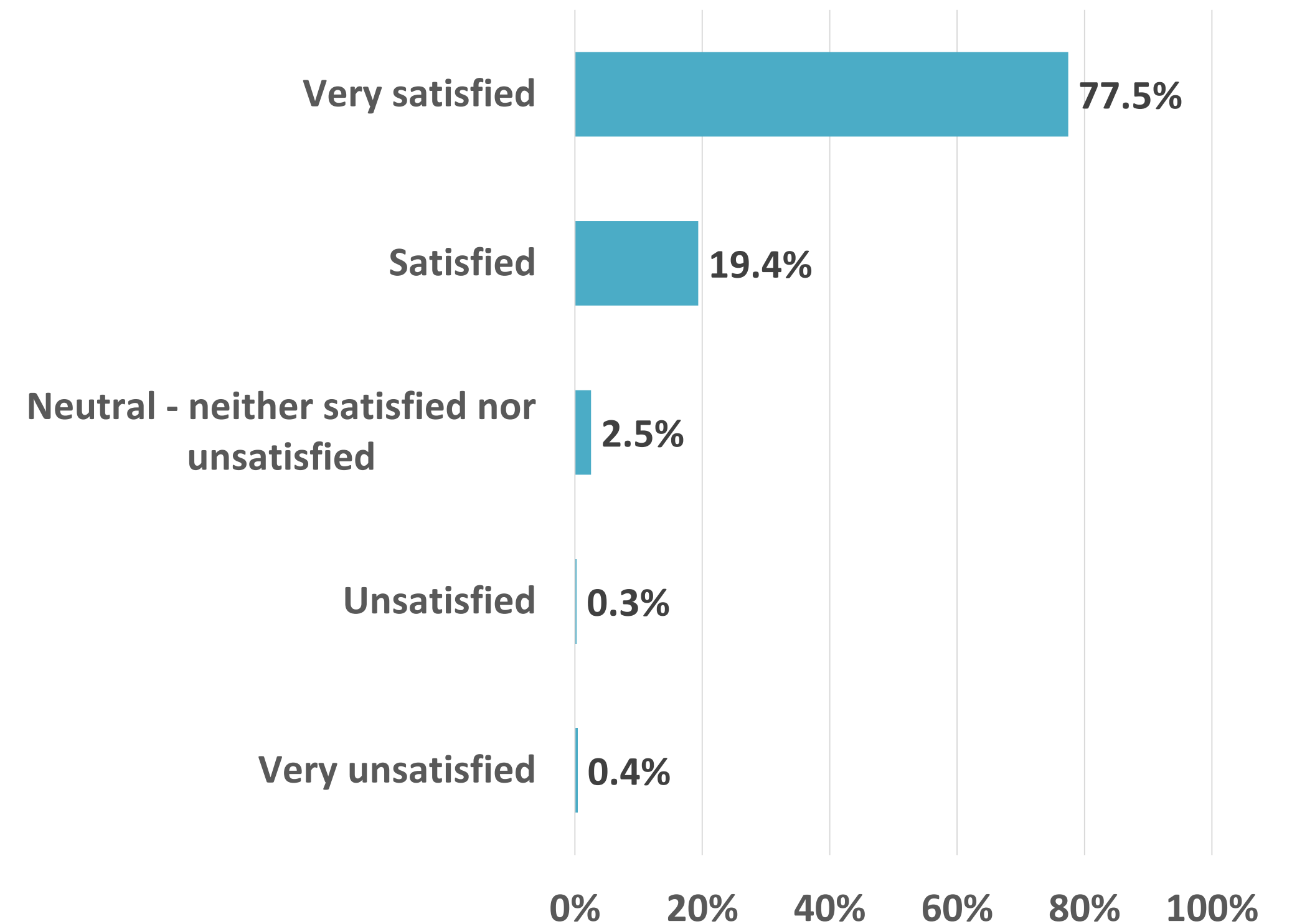


Satisfaction with Santa Barbara Experience

Santa Barbara provides a highly satisfactory visitor experience. Nearly all cruise ship passengers surveyed were “Satisfied” (19.4%) or “Very satisfied” (77.5%) with their Santa Barbara visit. This is comparable to the findings in 2013 where 20.0 percent of respondents were “Satisfied” and 76.7 percent were “Very satisfied.”

Question: How satisfied are you with your visit to Santa Barbara? (Select one)
Base: All respondents. 804 responses.

Chart 8: Satisfaction with Santa Barbara Experience



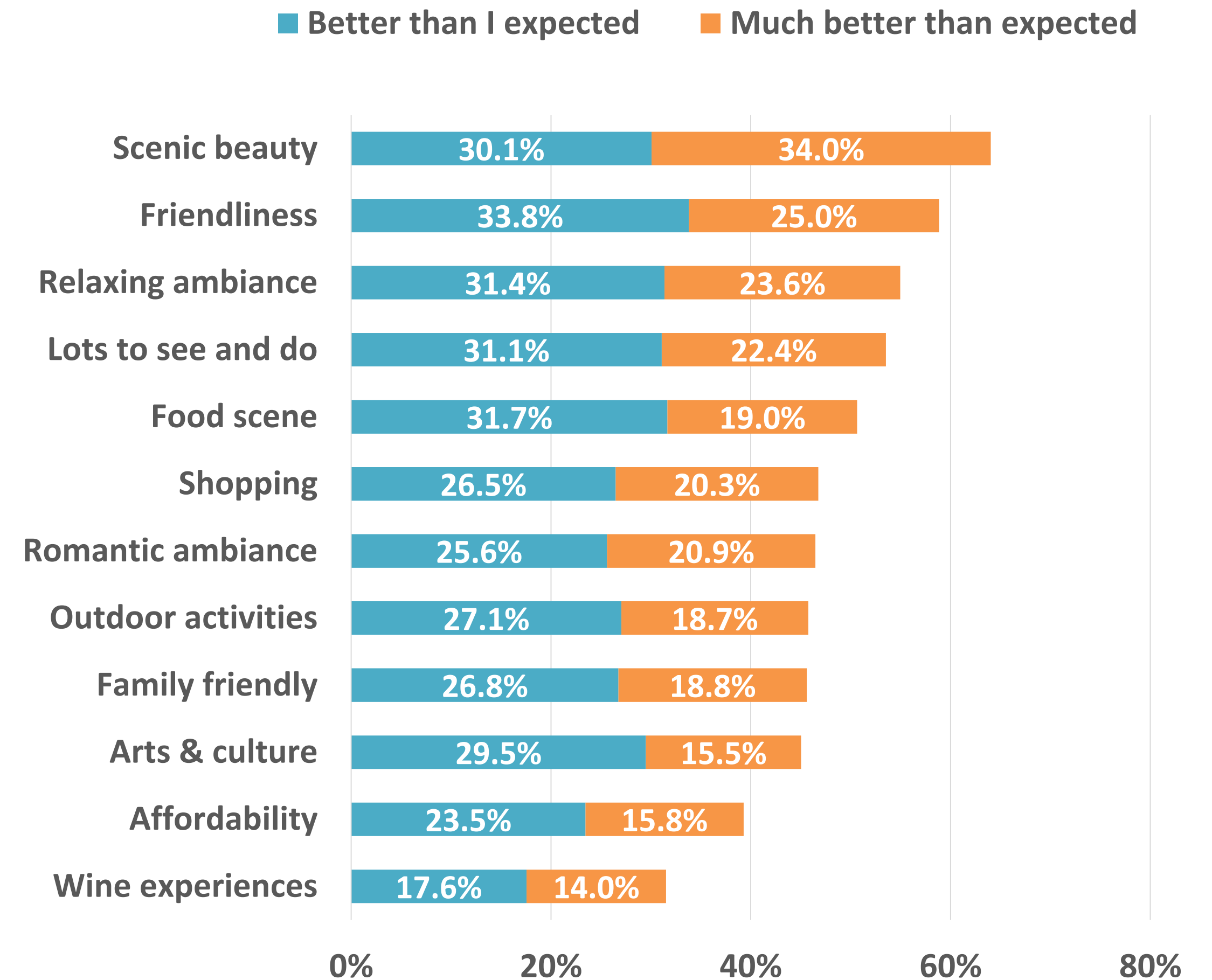
Santa Barbara Experience vs. Expectation

Santa Barbara’s scenic beauty and overall friendliness were the top attributes that exceeded cruise ship passengers’ expectations. Survey respondents were asked to think about their experience in Santa Barbara and asked to compare their actual experience in the destination to their expectations before arrival. The chart on the right shows the top two box score (“Better than I expected” and “Much better than expected”) for each attribute tested. Nearly two-thirds stated that scenic beauty exceeded their expectations (64.0%). In addition to scenic beauty, half or more of cruise line passengers surveyed said Santa Barbara’s friendliness (58.8%), relaxing ambiance (55.0%), lots to see and do (53.5%) and food scene (50.6%) were better or much better than they had expected.

The full data on this question is presented on the next page.

Question: Thinking about your experience on this trip, how did Santa Barbara compare to what you expected before arriving? Base: All respondents. 795 responses.

Chart 9: Santa Barbara Experience vs. Expectation



Santa Barbara Experience vs. Expectation – Full Data

Table 1: Santa Barbara Experience vs. Expectation – Full Data

	Much better than expected	Better than I expected	Exactly what I expected	Worse than I expected	Much worse than I expected
Scenic beauty	34.0%	30.1%	27.2%	1.0%	0.6%
Friendliness	25.0%	33.8%	30.4%	1.3%	0.7%
Relaxing ambiance	23.6%	31.4%	31.7%	0.6%	0.4%
Lots to see and do	22.4%	31.1%	33.1%	2.9%	0.0%
Food scene	19.0%	31.7%	34.0%	1.9%	0.1%
Shopping	20.3%	26.5%	36.4%	1.9%	0.1%
Romantic ambiance	20.9%	25.6%	33.8%	1.0%	0.6%
Outdoor activities	18.7%	27.1%	34.1%	1.4%	0.1%
Family friendly	18.8%	26.8%	38.3%	1.6%	0.1%
Arts & culture	15.5%	29.5%	35.4%	1.3%	0.1%
Affordability	15.8%	23.5%	51.4%	3.0%	0.6%
Wine experiences	14.0%	17.6%	33.7%	0.7%	0.0%
Sample size:	795				

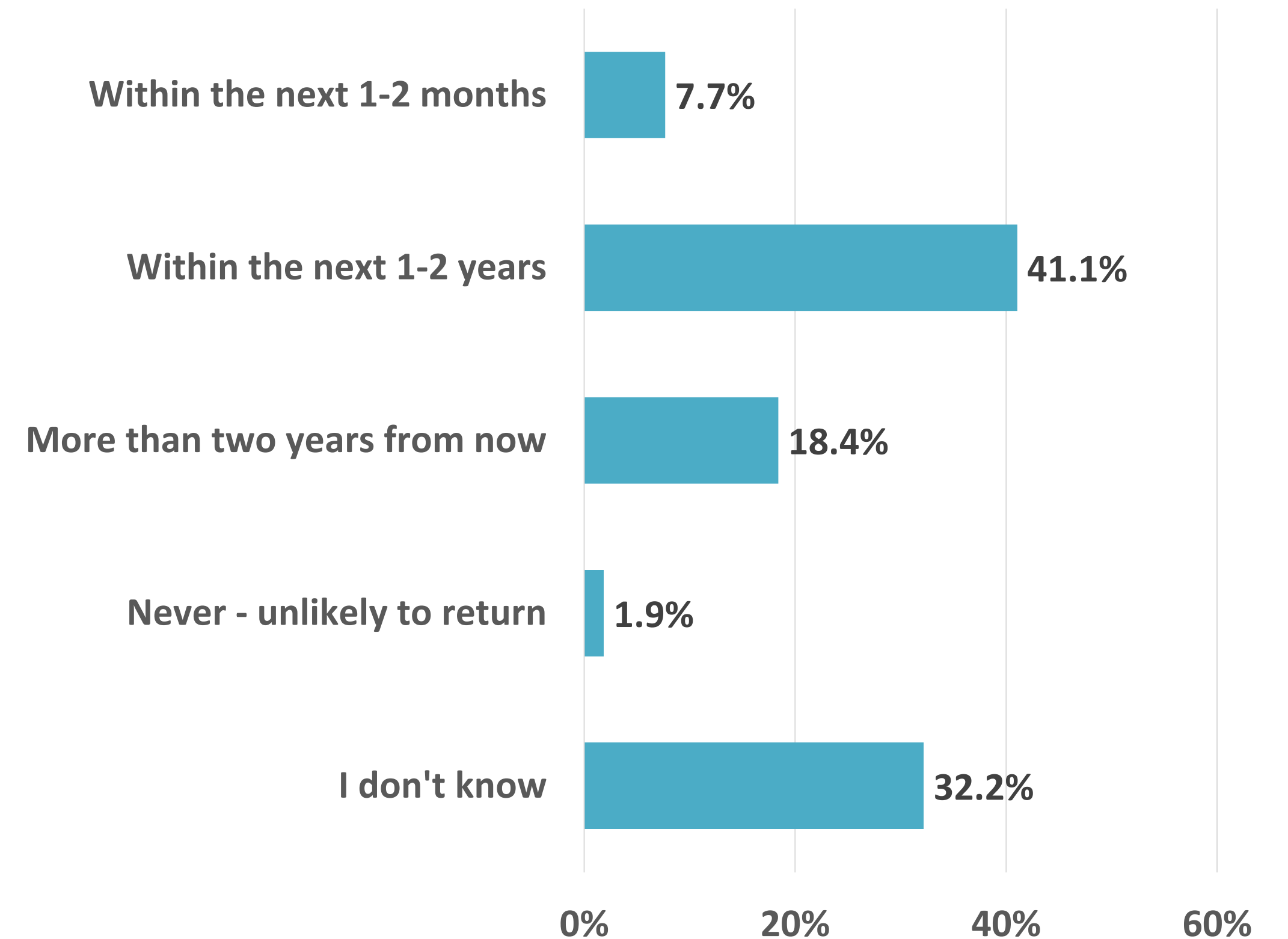
Question: Thinking about your experience on this trip, how did Santa Barbara compare to what you expected before arriving? Base: All respondents. 795 responses.

Next Likely Visit to Santa Barbara

Santa Barbara cruise passengers are likely to visit the destination again within the next two years. In total, 48.7 percent of cruise passengers surveyed said they are likely to return to Santa Barbara within the next 1-2 years, including 7.7 percent who are likely to return within the next 1-2 months. Another 18.4 percent are likely to return more than two years from now, while three-in-ten are unsure of when they will visit Santa Barbara again (32.2%).

Question: When are you most likely to make your next visit to Santa Barbara?
(Select all that apply) Base: All respondents. 804 responses.

Chart 10: Next Likely Visit to Santa Barbara

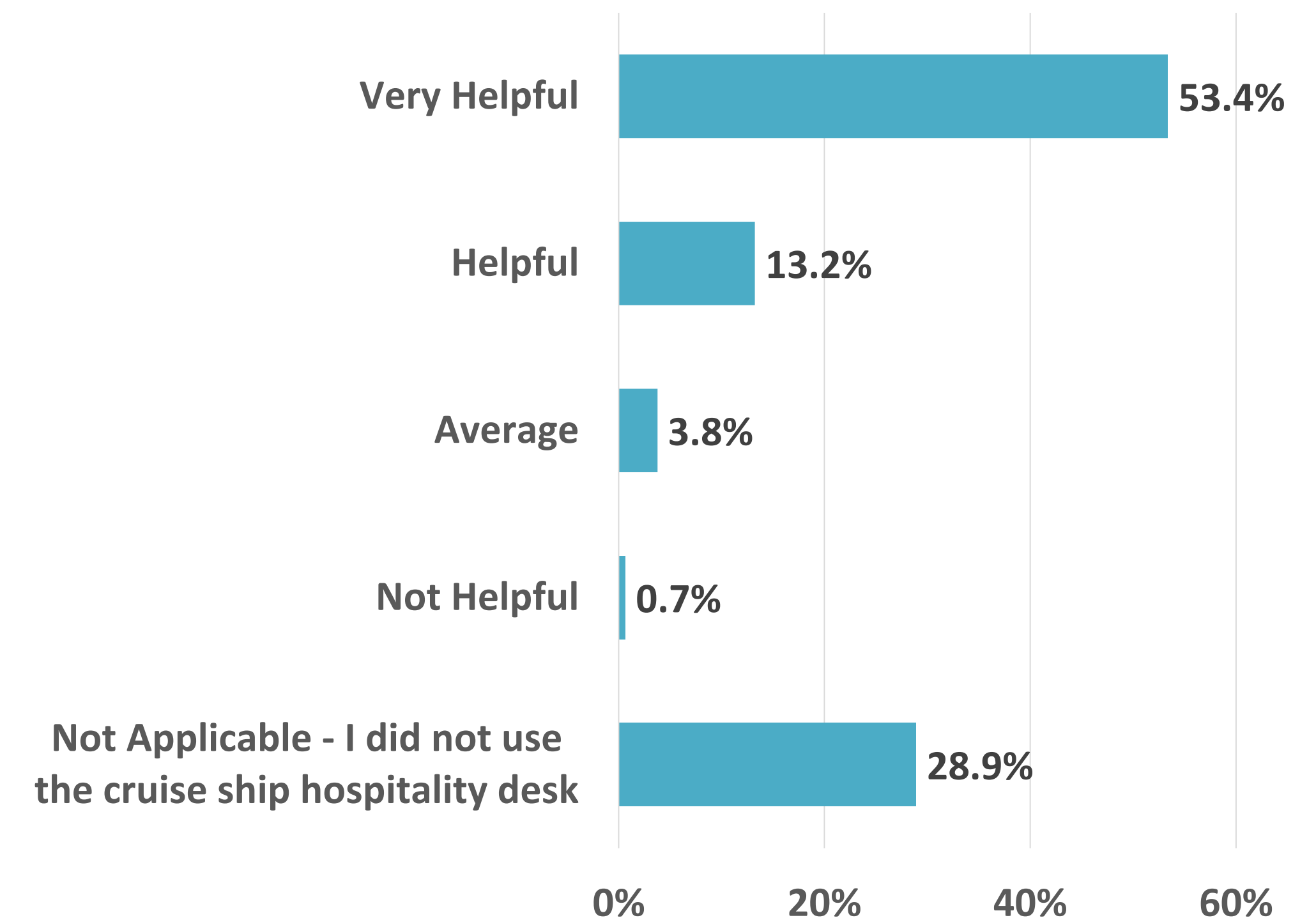


Helpfulness of Hospitality Desk

A large majority of cruise line passengers surveyed found the hospitality desk to be a helpful source for information. Two-thirds of Santa Barbara cruise passengers said the hospitality desk on shore was “helpful” (13.2%) or “very helpful” (53.4%) in providing information for their Santa Barbara visit. Only 0.7 percent considered the hospitality desk’s helpfulness as “not helpful.” Additionally, 28.9 percent reported that this question was not applicable to them, as they did not utilize the on shore hospitality desk.

Question: How helpful was the hospitality desk on shore in providing information to help with your visit? Base: All respondents. 804 responses.

Chart 11: Helpfulness of Hospitality Desk

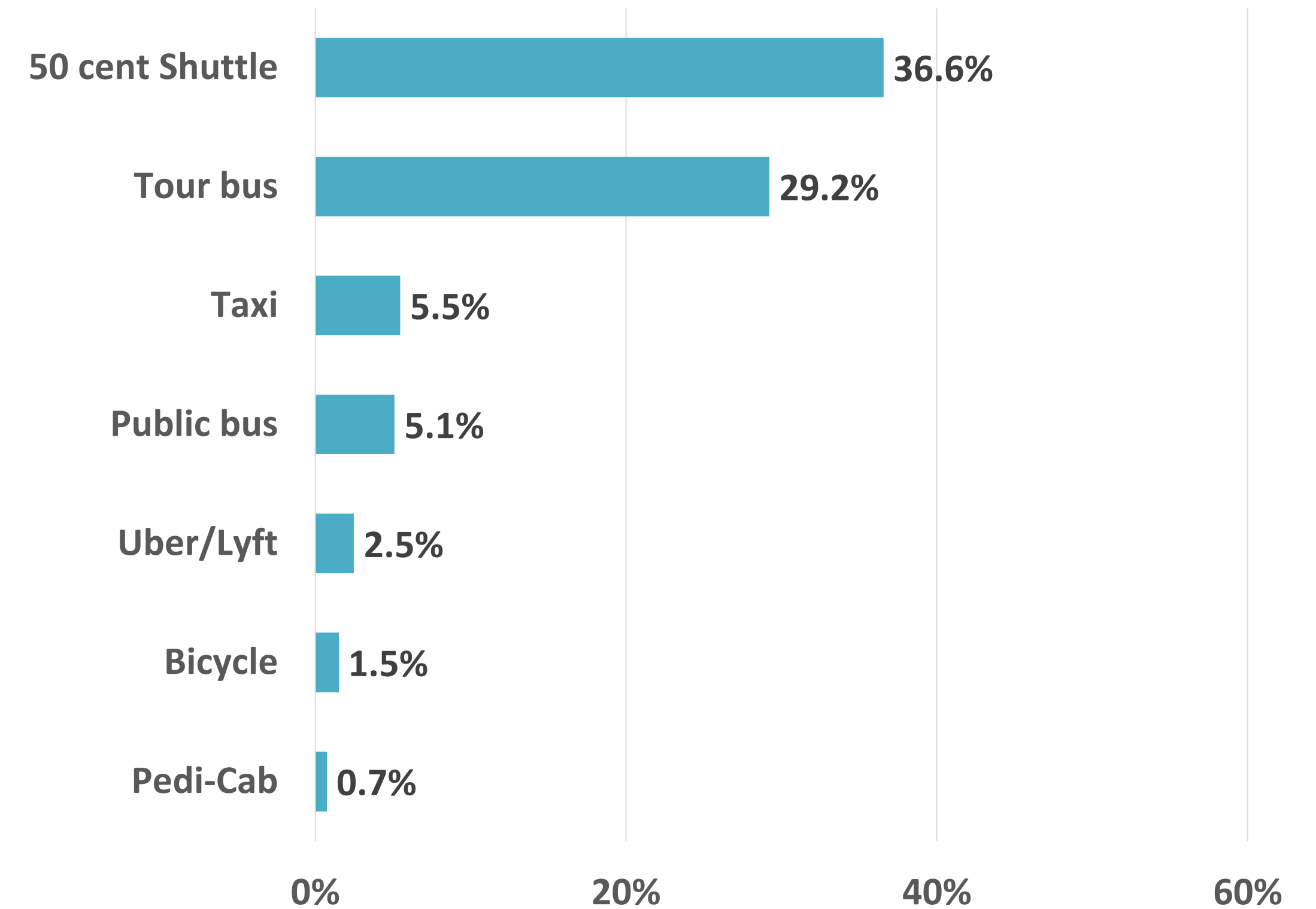


Modes of Transportation Used in Santa Barbara

Cruise ship passengers utilized a variety of transportation options while in Santa Barbara, with the 50 cent shuttle (36.6%) and tour buses (29.2%) being the most commonly used methods. Taxis were used by 5.5 percent, while ride-sharing services like Uber and Lyft were used by 2.5 percent. Additionally, 5.1 percent of respondents rode the public bus to travel around Santa Barbara.

Question: Which modes of transportation did you use while in Santa Barbara?
Base: All respondents. 804 responses.

Chart 12: Modes of Transportation Used in Santa Barbara

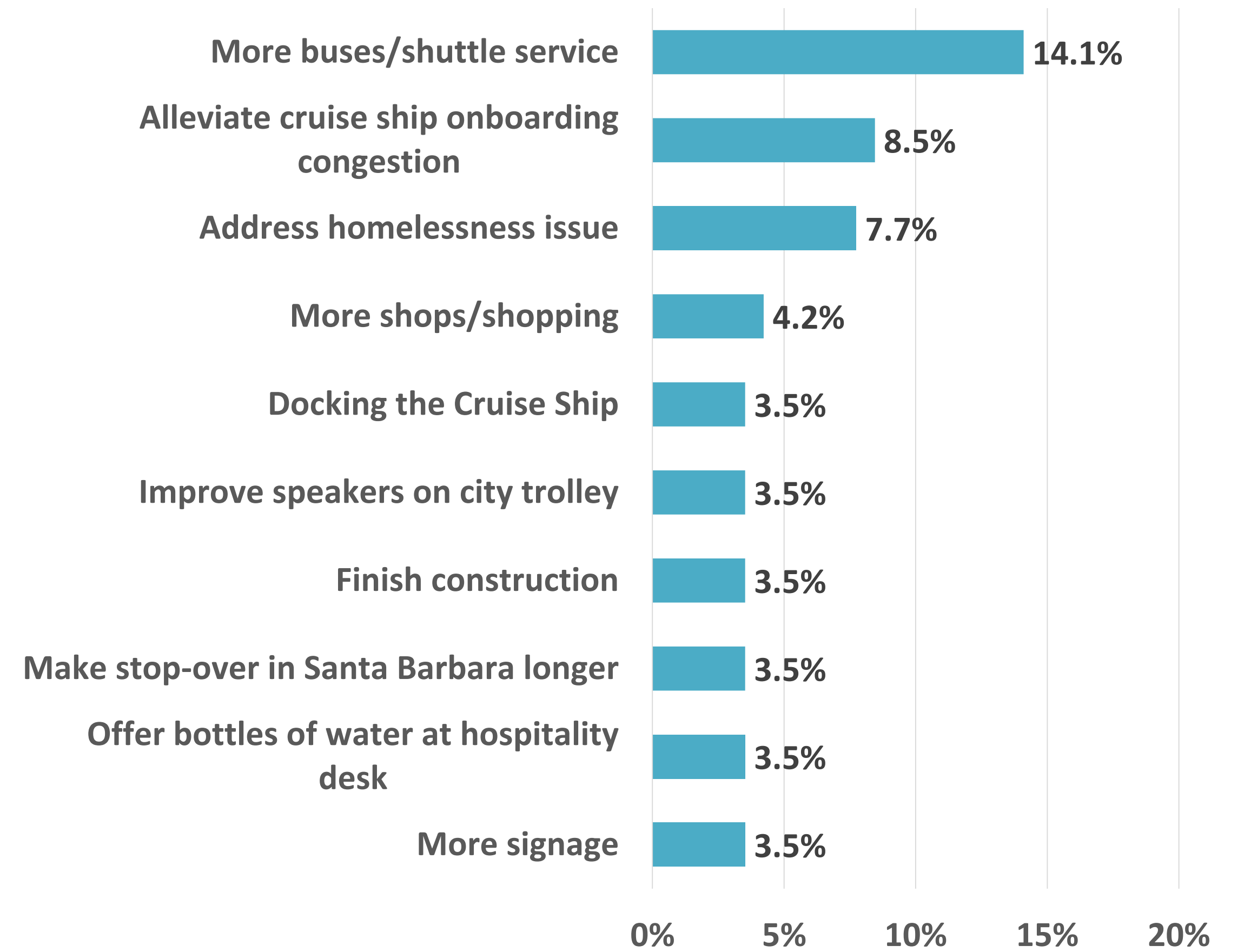


Recommendations for Improvement

Adding more bus lines/improving shuttle service was the top cited recommendation for improvement. In an open-ended question, Santa Barbara cruise passengers were asked if they had any recommendations for improvement. Beyond improving bus/shuttle service in the area, other top recommendations were alleviating cruise ship onboarding congestion (8.5%) and addressing the issue of homelessness in the area (7.7%).

Question: What recommendations for improvement do you have? Base: All respondents. 142 responses.

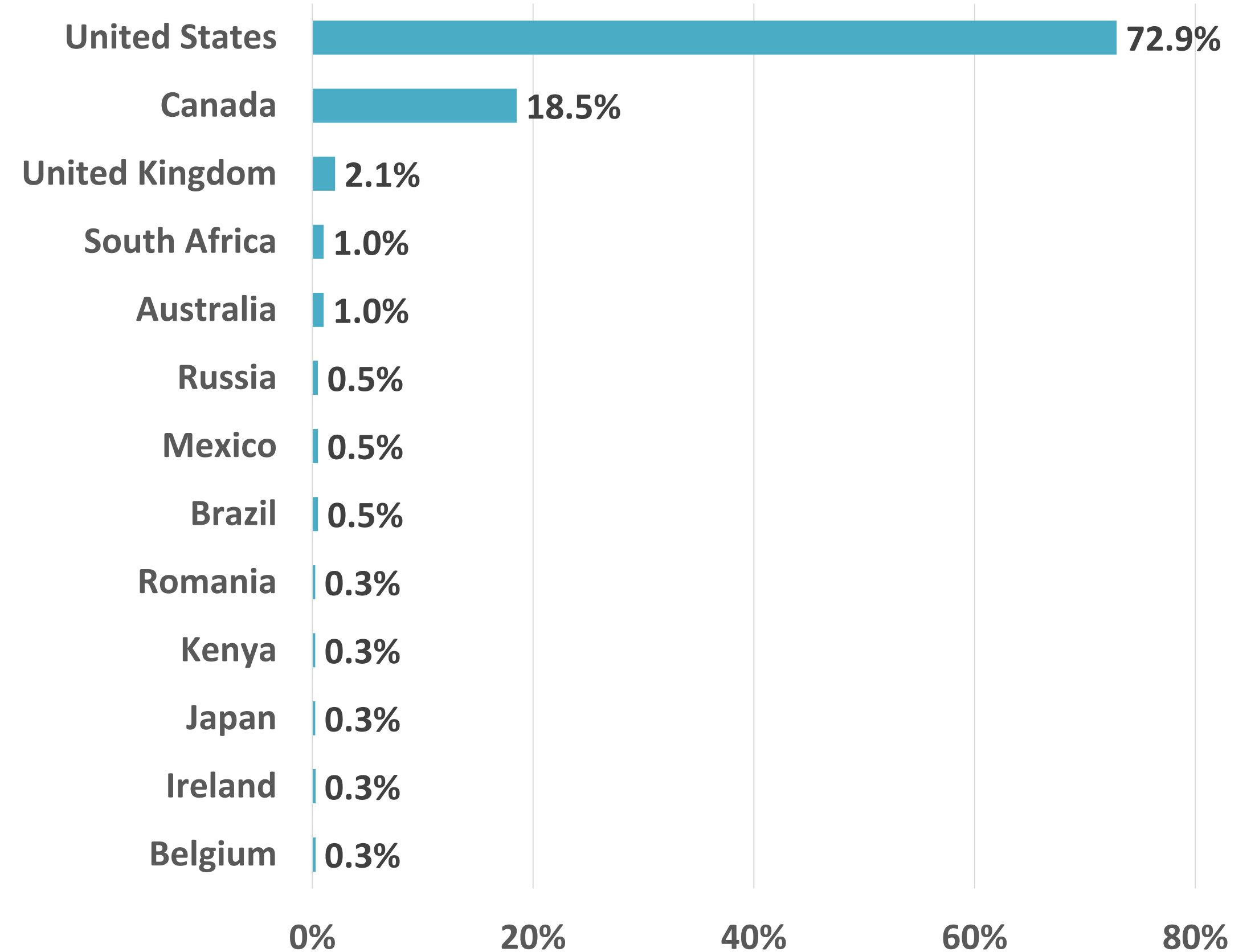
Chart 13: Recommendations for Improvement



Country of Residence

Domestic residents accounted for 72.9 percent of cruise passengers surveyed while the remaining 27.1 percent were international residents. Canadian residents (18.5%) represent the largest percentage of the international cruise line passengers surveyed in Santa Barbara followed by visitors from the United Kingdom (2.1%), South Africa (1.0%) and Australia (1.0%).

Chart 14: Country of Residence

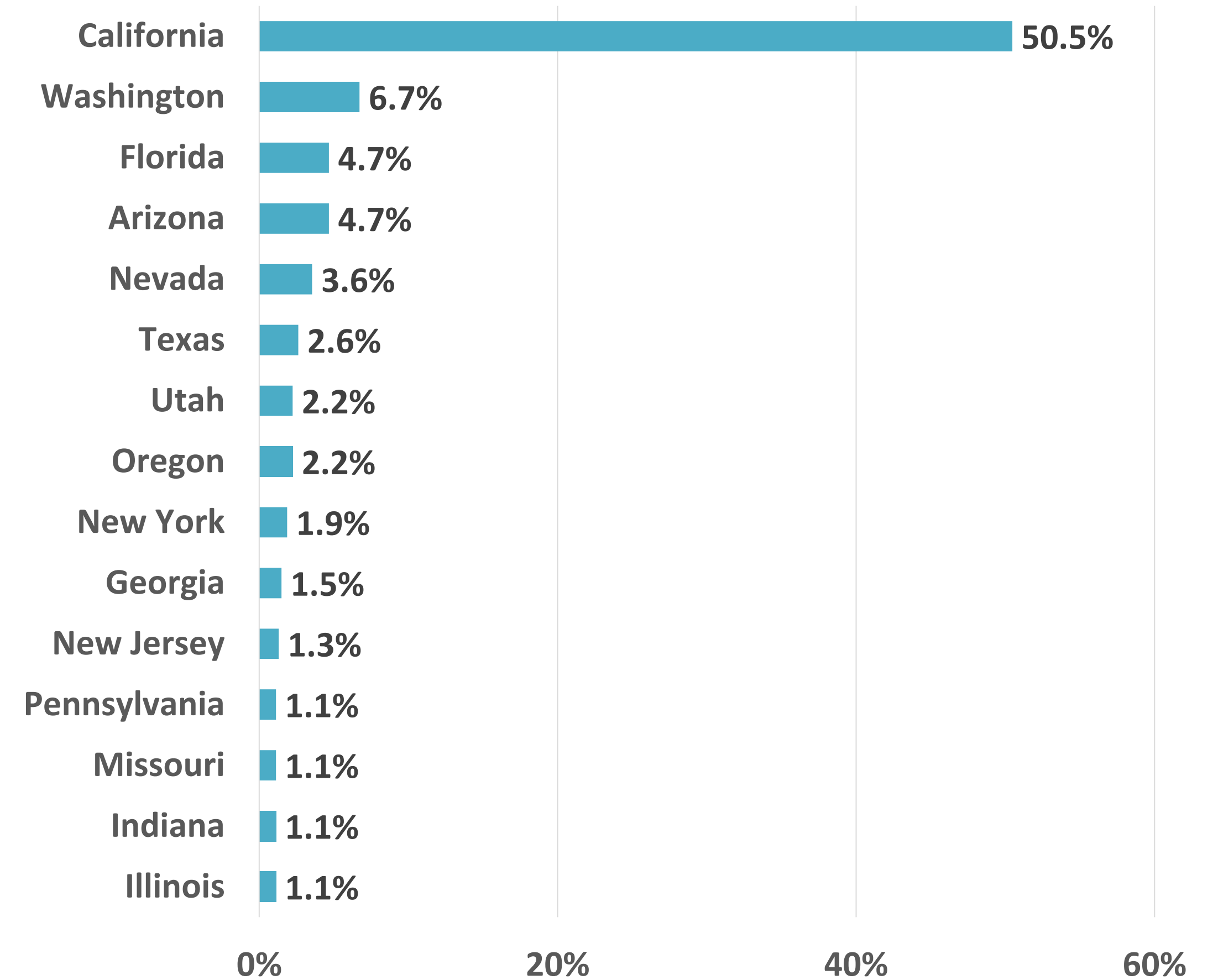


Question: Country of Residence. Base: All respondents. 778 responses.

Point of Origin: State

Half of the domestic cruise line passengers surveyed reside within the state of California (50.5%) while the remaining 49.5 percent reside outside California with Washington (6.7%), Florida (4.7%) and Arizona (4.7%) contributing significant amounts of cruise passenger visitors.

Chart 15: Point of Origin - State

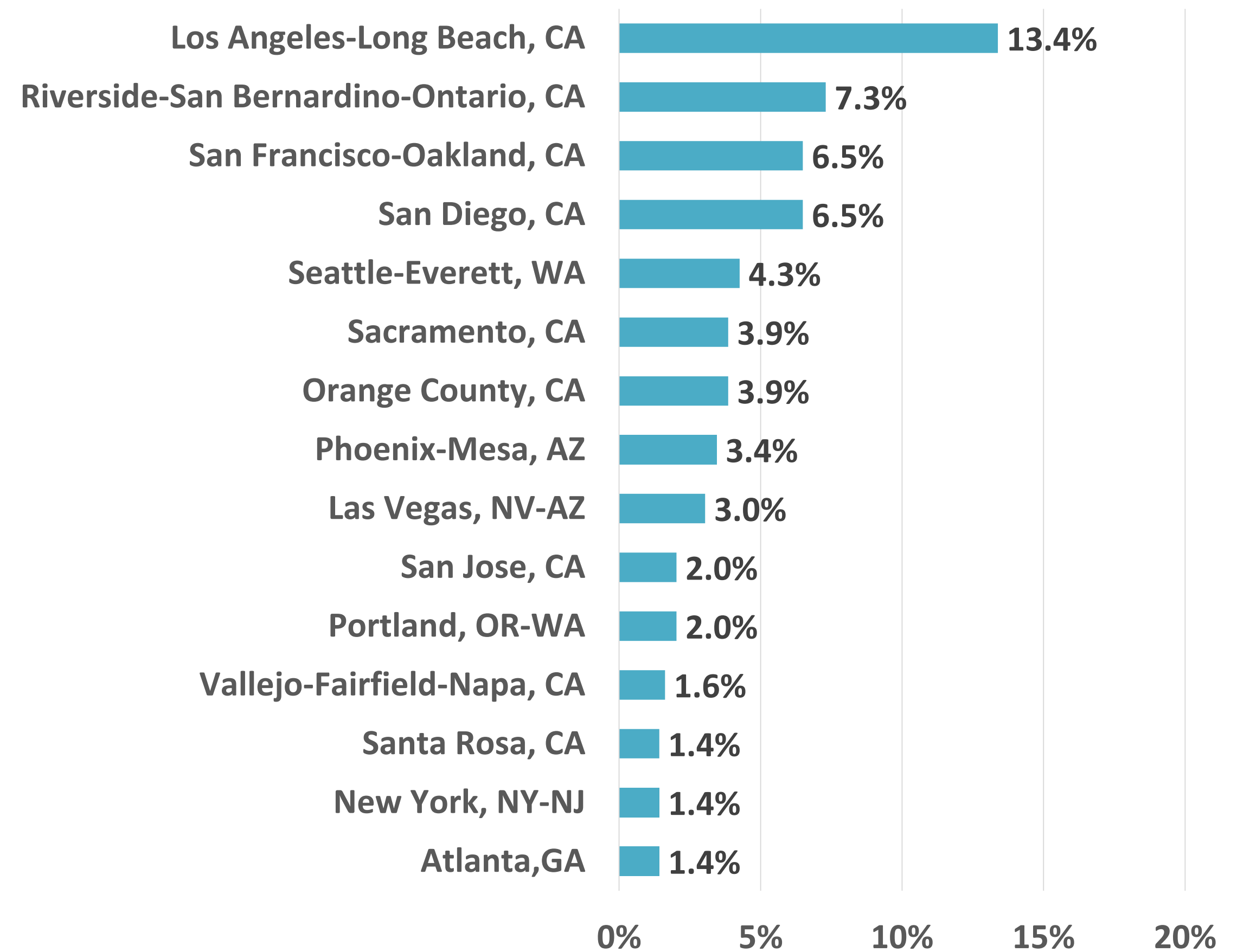


Question: What is your zip/postal code? Base: All respondents. 535 responses.

Point of Origin: MSA

The largest proportion of domestic cruise line passengers surveyed resided in the Los Angeles-Long Beach, CA MSA. Top MSA feeder markets outside the Los Angeles-Long Beach, CA market were Riverside-San Bernardino-Ontario, CA (7.3%), San Francisco-Oakland, CA (6.5%) and San Diego, CA (6.5%)

Chart 16: Point of Origin - MSA



Question: What is your zip/postal code? Base: All respondents. 535 responses.

Appendix I: Comparison to Previous Study

The tables in the following slides show a side-by-side comparison of the results from the Cruise Passenger Survey conducted in 2013 and 2016.

Comparison to Previous Study

Was this your first visit to Santa Barbara?	2013	2016
Yes	54.4%	56.4%
No	45.6%	43.6%
Sample size	815	804

Did you book an excursion for today through the cruise ship?	2013	2016
Yes	24.1%	31.8%
No	75.9%	68.2%
Sample size	825	804

Which best describes your immediate travel party?	2013	2016
Couple - Traveling with spouse or significant other	59.5%	53.1%
Group - Traveling with a group of friends, coworkers, etc.	20.1%	21.6%
Family - Traveling without children	7.5%	10.7%
Family - Traveling with children	8.2%	9.1%
Single - Traveling alone	4.8%	5.5%
Sample size	832	804

Comparison to Previous Study (continued)

If you did not go on an excursion today or if you had time before/after your excursion, what activities did you do during your visit?	2013	2016
Sightseeing	64.9%	62.5%
Shopping	65.7%	61.1%
Dining	42.7%	41.9%
Santa Barbara Harbor	10.7%	19.0%
Stearns Wharf	15.5%	15.6%
Took a city tour	10.2%	14.0%
Wine-tasting	9.0%	7.5%
Museums/Art Galleries	6.4%	7.3%
Beer-tasting	--	4.8%
Santa Barbara Zoo	1.8%	3.4%
Booked a shore excursion DIRECTLY WITH A VENDOR	--	2.7%
Other	--	20.9%
Sample size	703	786

What was the most enjoyable activity you did in Santa Barbara?	2013	2016
General sightseeing	8.8%	21.0%
Dining in restaurants	8.2%	12.2%
Visiting Old Mission	5.8%	6.3%
Tour of downtown	--	6.1%
Santa Barbara County Courthouse	6.8%	6.1%
Historical trolley tour	--	5.8%
Shopping	10.5%	5.5%
Enjoying the sunshine/good weather	3.3%	5.5%
Wine/Beer tasting	6.0%	4.0%
Boardwalk/Harbor/Pier	1.4%	3.6%
Enjoying the scenery/architecture	3.4%	3.4%
Sample size	704	695

Comparison to Previous Study (continued)

Please, estimate your total expenditure during your visit here on excursions, meals and shopping if applicable.	2013	2016
More than \$400	3.0%	4.5%
\$301-400	3.0%	2.9%
\$201-300	7.8%	9.6%
\$101-200	18.9%	19.4%
\$51-100	28.7%	24.7%
\$1-50	34.7%	33.0%
\$0	4.0%	5.8%
Mean Spending per Travel Party	\$100.30	\$109.25
Sample size	806	798

How many persons expenditures were fully covered by your spending?	2013	2016
4 or more	14.8%	14.0%
3	5.4%	5.8%
2	62.2%	60.5%
1	17.6%	19.7%
Mean # of People Covered by Spending	2.3	2.3
Mean Spending per Person	\$43.61	\$47.34
Sample size	728	736

Comparison to Previous Study (continued)

How satisfied are you with your visit to Santa Barbara?	2013	2016
Very satisfied	76.7%	77.5%
Satisfied	20.0%	19.4%
Neutral - neither satisfied nor unsatisfied	2.5%	2.5%
Unsatisfied	0.4%	0.3%
Very unsatisfied	0.5%	0.4%
Sample size	810	804

When are you most likely to make your next visit to Santa Barbara? (Select all that apply)	2013	2016
Within the next 1-2 months	--	7.7%
Within the next 1-2 years	53.7%	41.1%
More than two years from now	8.4%	18.4%
Never - unlikely to return	1.9%	1.9%
I don't know	35.9%	32.2%
Sample size	793	755

Comparison to Previous Study (continued)

How helpful was the hospitality desk on shore in providing information to help with your visit? (Select all that apply)	2013	2016
Very Helpful	62.6%	53.4%
Helpful	16.4%	13.2%
Average	4.4%	3.8%
Not Helpful	0.8%	0.7%
Not Applicable - I did not use the cruise ship hospitality desk	15.8%	28.9%
Sample size	791	804

Which modes of transportation did you use in Santa Barbara? (Select all that apply)	2013	2016
50 cent Shuttle	37.2%	36.6%
Tour bus	26.6%	29.2%
Taxi	8.1%	5.5%
Public bus	10.3%	5.1%
Uber/Lyft	--	2.5%
Bicycle	2.7%	1.5%
Pedi-Cab	1.1%	0.7%
Sample size	837	804