



Convention & Visitors Bureau

408 Almaden Boulevard  
San José, California 95110  
Phone: 408.295.9600  
Fax: 408.295.3937  
Web: [www.sanjose.org](http://www.sanjose.org)

## News Release

FOR IMMEDIATE RELEASE

CONTACT: Marie Vasquez, Senior Marketing Manager  
408.792.4125  
[mvasquez@sanjose.org](mailto:mvasquez@sanjose.org)

### **SAN JOSÉ CONVENTION & VISITORS BUREAU RELEASES NEW SAN JOSÉ VISITOR STUDY**

#### **Data Shows City's Tourism Industry Contributes \$1.2 Billion to Local Economy**

**SAN JOSÉ, CALIF.** – JUNE 6, 2005 – Visitors to San Jose were responsible for an estimated \$1.2 billion impact on the local economy, according to a report released today by the San José Convention & Visitors Bureau (SJCVB). "The San José Visitor Study: Market Profile and Economic Impact" report is based on a year-long study conducted by The Survey and Policy Research Institute at San José State University (SPRI) that examined the ability of the tourism industry to weather tough economic times, even as other industries still face uncertainty.

Commissioned by the SJCVB, the report found that between FY 2003 and FY 2004, San José attracted 6.7 million visitors, an increase of nearly 10 percent over the 2001-2002 report, resulting in \$1.2 billion in direct visitor spending.

#### **San José's Tourism Industry Stimulates Economy, Community**

As a result of the visitor spending, San José's tourism industry stimulated the economy by generating 16,000 full-time jobs in San José, a 19% increase from the 13,500 jobs created in FY 2001-02. Recent growth in San José's tourism sector includes the reopening of downtown's 86-room Hotel Montgomery in July 2004.

Tourism means more than dollars and cents to local residents, however. It helps spur community development and civic pride. In the last two years, downtown San José has seen its revitalization continue with more dining and entertainment options.

In all, visitors spent \$252 million on shopping, \$218 million on meals and beverages, \$217 million on car rental, \$146 million on lodging, \$142 million on other daily transportation, \$113 million on recreation and entertainment, and \$70 million on groceries and other convenience items.

### **Business Travelers, Convention-goers Lead Way**

The study also showed that convention visitors were by far the largest source of revenue for the hotels, representing 57%. Business travelers who did not attend a convention were the second largest source, accounting for 20% -- bringing the business traveler representation total to 77% of San José lodging industry revenues. Convention and meeting attendees spent an average of \$117 per day while visiting the city.

Since the last study was conducted, the city has undertaken a number of initiatives to drive convention business. Most notably is the Bureau's diversification efforts, which reached out to market segments beyond Silicon Valley's technology and tradeshow markets, such as National Association, State Association, Religious, Ethnic, and National Corporate market segments.

"We believe this study's results show the fruits of the Bureau's labor to spread the word about San José as a destination for meetings and conventions," said Dan Fenton, president and CEO of the SJCVB. "With the large impact that tourism dollars have on the city's well-being, the Bureau plays a key role and will continue to lead efforts to bring more visitors to San José."

### **Leisure Visitors Represent 36% of Total Visitor Number**

Leisure visitors have also made an important impact in San José, according to the study. During the period covered by the report, San José attracted 2.4 million leisure travelers (non-business) that represented 36% of the total visitor number. Of those traveling to San José for personal reasons, 38% were in town for a special event, 28% were on vacation and 24% were visiting friends or relatives.

Other visitors made their way to San José for a day to explore the many sights and sounds that the nation's 11<sup>th</sup> largest city has to offer, from museums to world-class dining experiences and a safe, walkable downtown. The study reported that 4 million day visitors came to San José, down 6% from the 4.3 million day visitors in FY 2001-02. Though they only visited for a few hours, the \$58 each day visitor spent was a valuable addition to the local economy -- representing \$235 million, up 15% from FY 2001-02.

"We are pleased to see increasing numbers of visitors making their way to San José for a weekend getaway or a day of fun and relaxation," said Cyril Isnard, Board Chairman for the San José Convention & Visitors Bureau. "We hope their positive experiences in the city will encourage them to return and to tell family and friends about 'The Gateway to the Bays.'"

### **Methodology**

This report is the result of a year-long study of tourism and its impacts on the City of San José. The study is designed to give the San José Convention and Visitors Bureau reliable information about the spending of visitors to the city and in particular the impact that convention business creates in San José. The information developed here will also provide the Bureau with valuable information for its program of marketing San José as a convention and tourism destination.

*San José CVB Releases New Visitor Study, June 6, 2005*

SPRI surveyed more than 1,344 visitor groups at the San José International Airport and various hotels, attractions, and events. SPRI also conducted a random sample of 1,230 telephone interviews with San José residents to assess the number and characteristics of out-of-town guests staying overnight with friends and relatives. A visitor is defined as anyone who does not live or work in San José.

A one-page summary of the study and its findings is available on the SJCVB Web site at <http://www.sanjose.org/2004visitorstudy.pdf>. To request a full copy of the study, please contact Meli James, SJCVB Market Analyst, at 408.792.4144 or via email at [mjames@sanjose.org](mailto:mjames@sanjose.org).

**About The San José Convention & Visitors Bureau (SJCVB)**

The San José Convention & Visitors Bureau's (SJCVB) mission is to enhance the image and economic well being of San José by taking the leadership role in marketing San José as a globally recognized destination. The SJCVB offers meeting planners, tour operators, and individual visitors a team of professionals who can assist with their destination planning process from beginning to end. To receive a copy of the Bureau's *Meeting Planning Guide* or *Official Visitors Guide*, please contact the SJCVB at 1.800.SAN.JOSE (1.800.726.5673) or visit <http://www.sanjose.org>.

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