

Hilton Head Island Second Home Owner Study Report



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Executive Summary

- Approximately 59% of the respondents owned Villa/Condominium Homes and 36% owned Townhomes.
- 90% of second homes have sole owners.
- Most second home owners (26%) owned property in Sea Pines.
- 62% of the homes were not publicly rented and for owner use or non paying guest use.
- 83% of the owners drove to Hilton Head Island for their last trip.
- 65% of the owners who utilized air transit for their last trip flew embarked to Hilton Head Island from the Savannah Airport.

Executive Summary

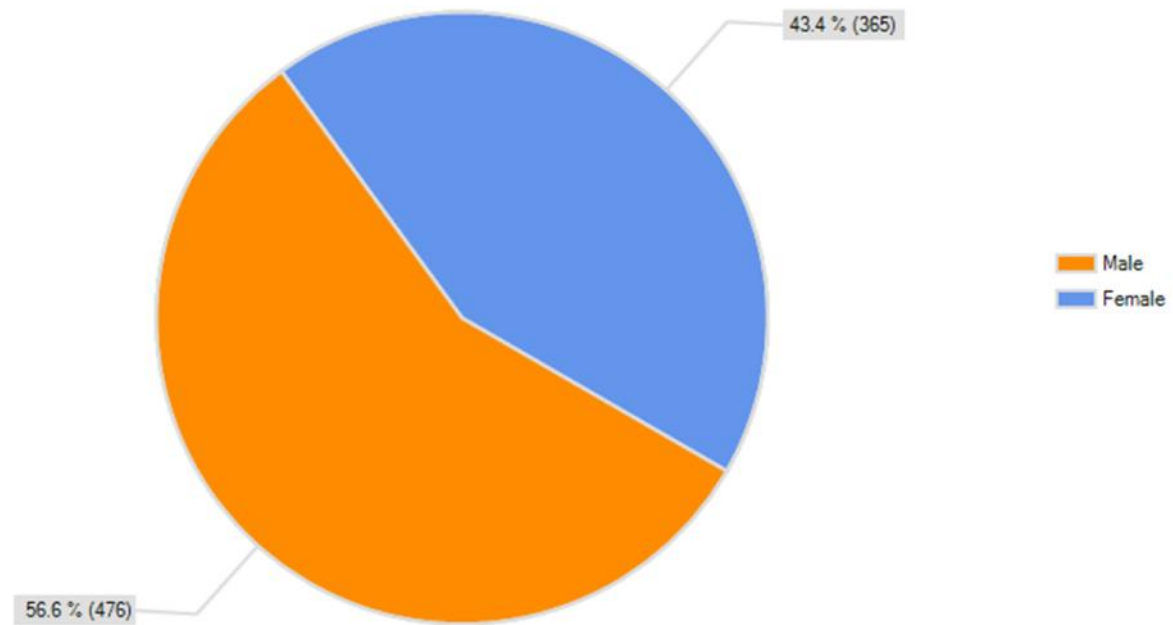
- Beaches, Natural Beauty, and Dining were the most important Hilton Head Island attributes while vacationing.
- 88% (767) of the 876 respondents indicated they visited 8-10 times before buying their second home.
- 58% purchased their second home to return to the island for vacation.
- The median year for home purchases was 2003 but most were purchased in 2005.
- 46% indicated that the Island is a Classic Family Vacation Spot.
- 93% indicated that a Hilton Head Island vacation makes them feel relaxed.
- Most indicated they would recycle on vacation.

Methodology

- 5,000 second home owners were randomly selected from a list of over 17,000 home owners who pay 6% annual property tax.
- The owners were mailed a 4-page survey to their primary home address.
- 876 surveys were completed and returned - a 17.5% response rate.
- The randomized survey sample has \pm a margin of error of 3%.

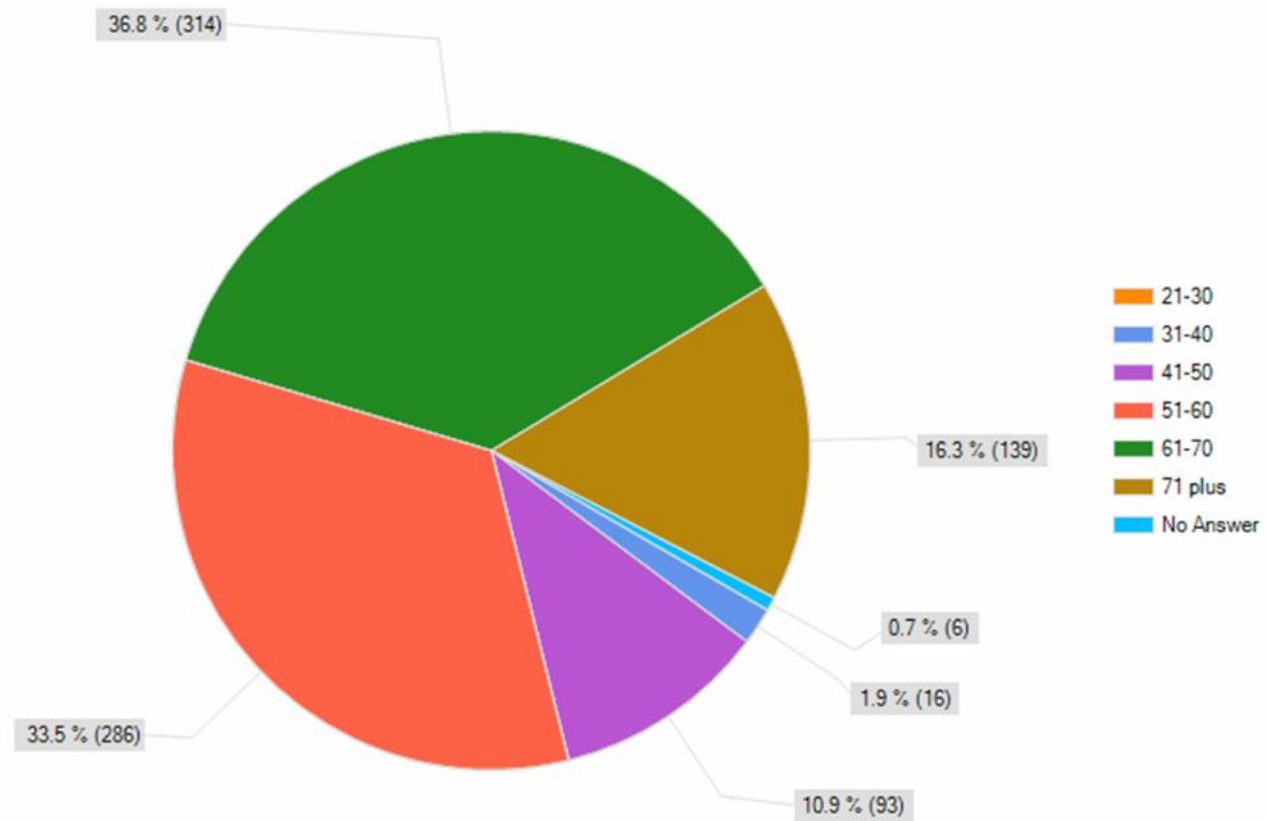
Gender

Please indicate your gender.



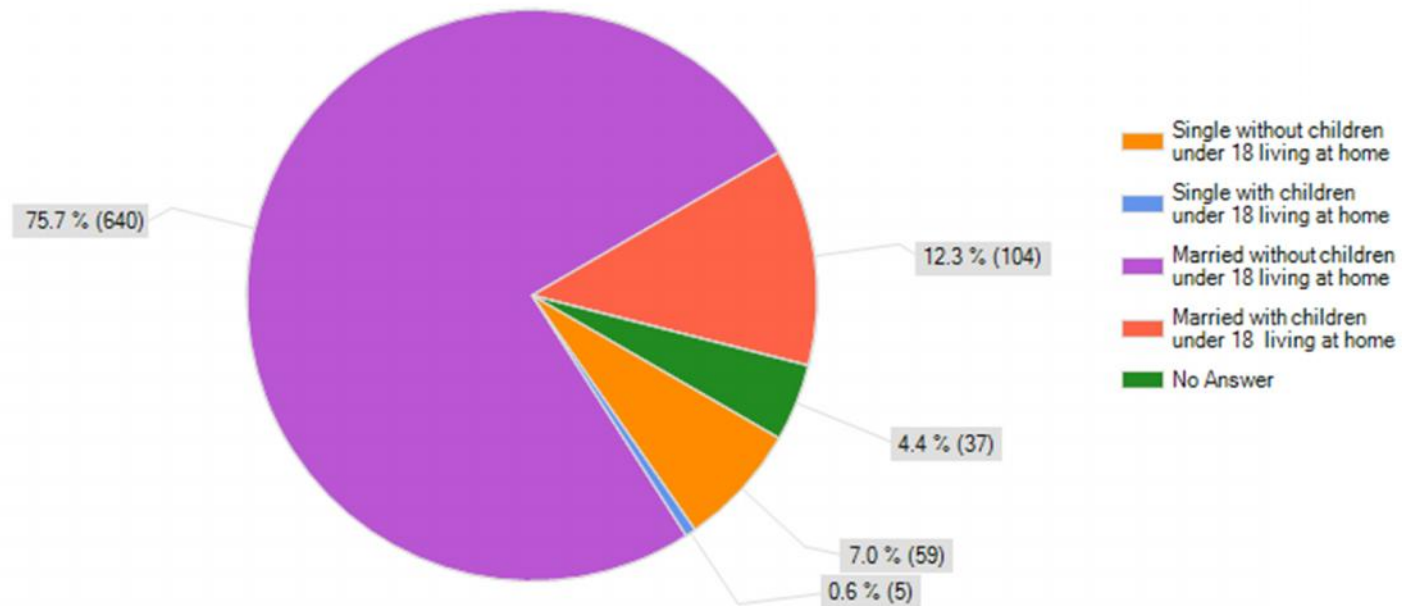
Age

Please indicate your age below.

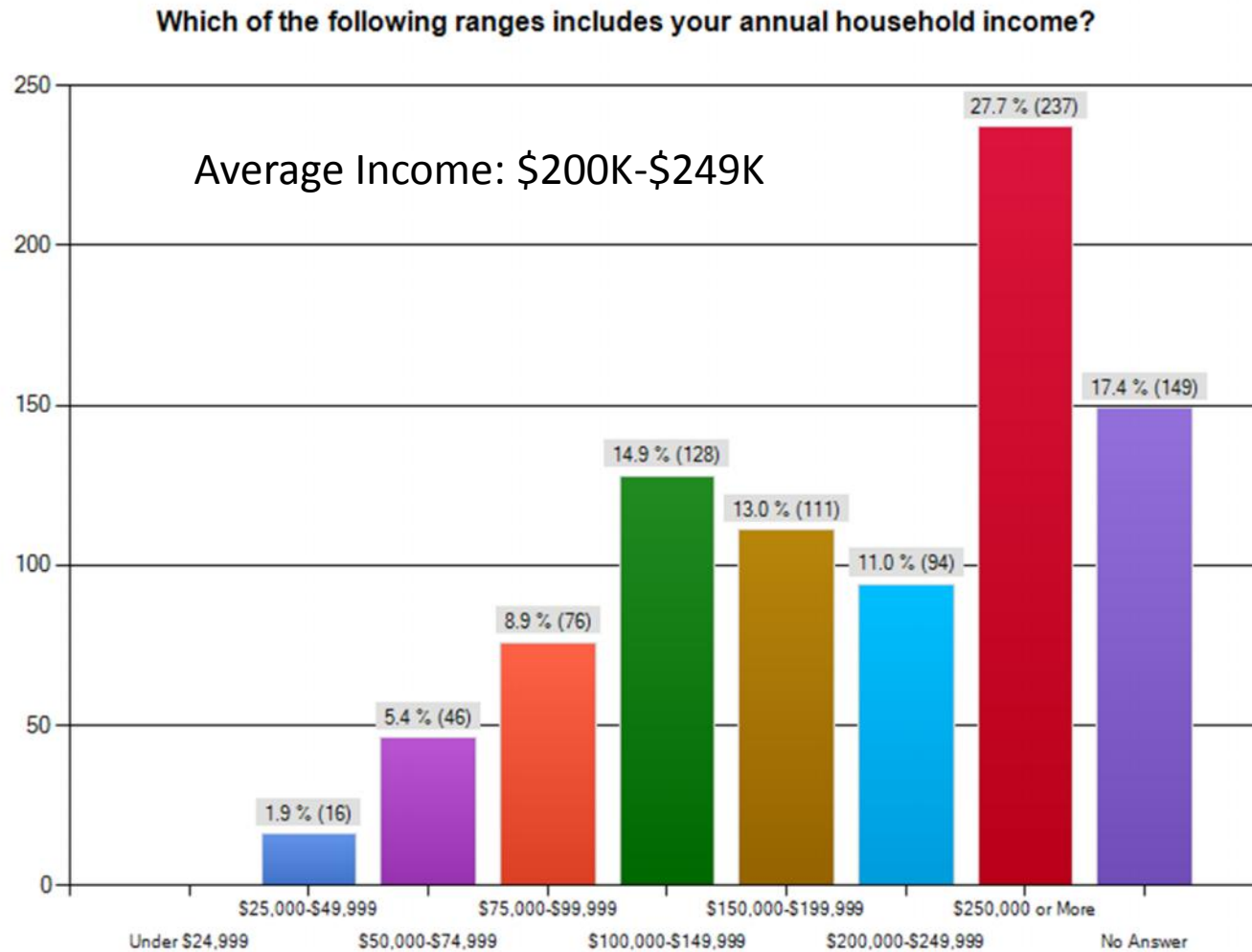


Marital and Family Status

Please indicate your marital and family status.

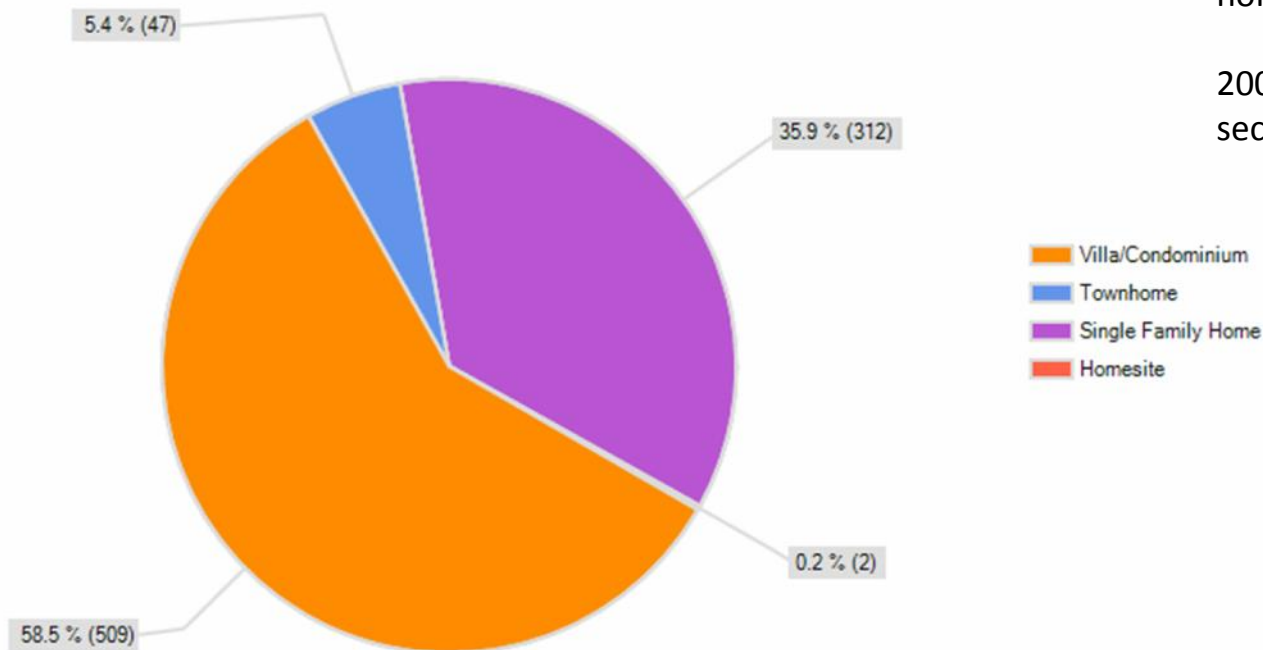


Household Income



Classification of Second Home

Which classification best describes your second home on Hilton Head Island? (Check one circle that best represents your answer)



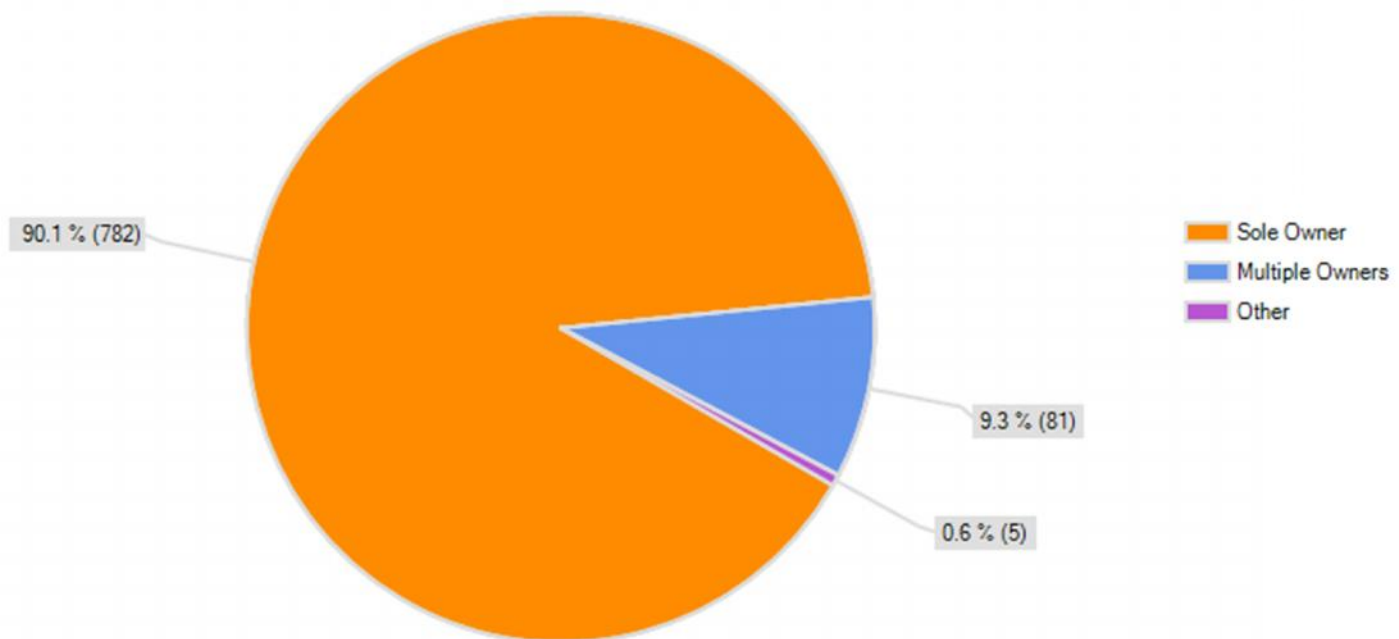
2000: The mean year when owners purchased there home

2003: The median year of home purchases

2005: The year when most second homes were purchased

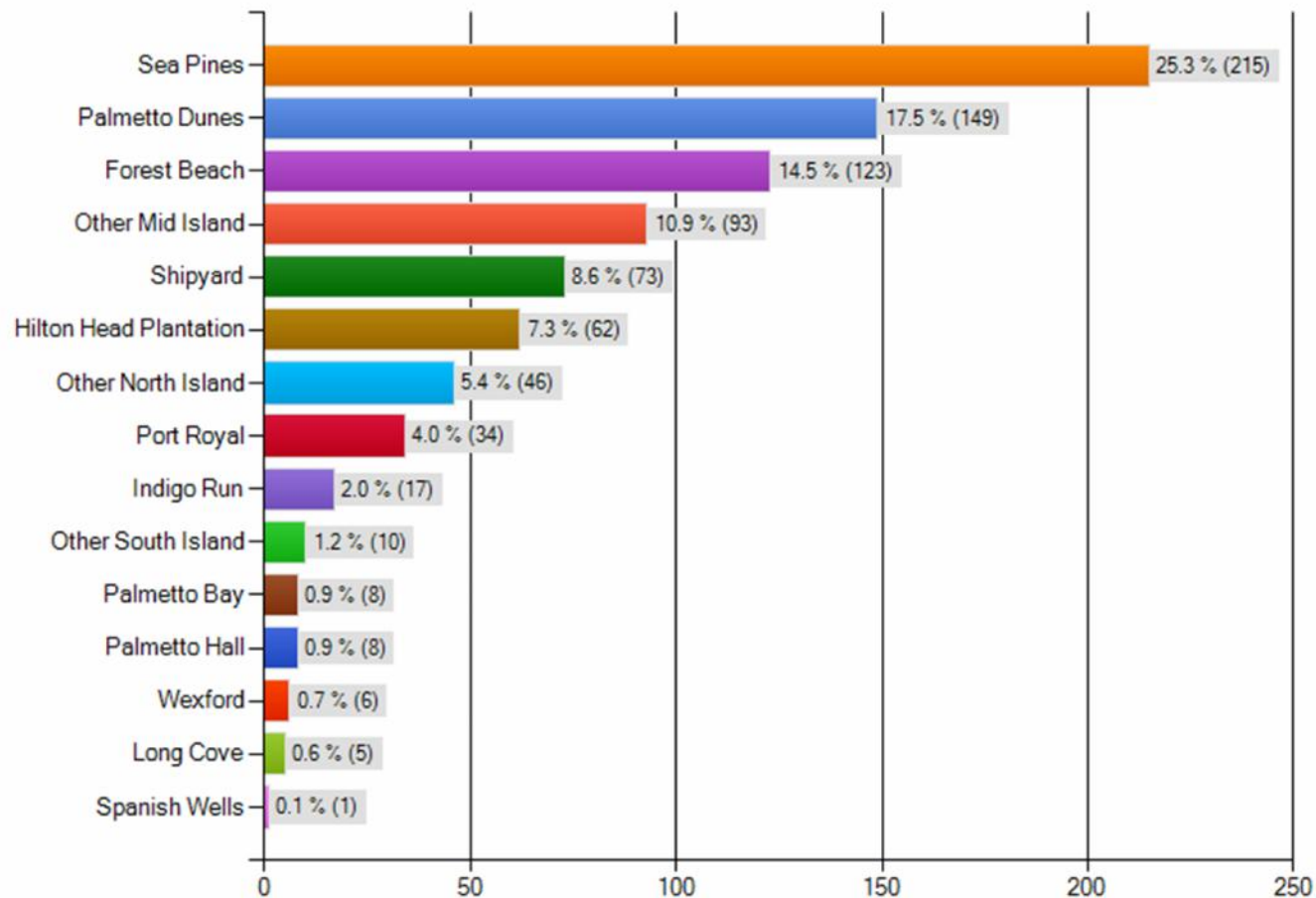
Ownership Arrangement

What is the ownership arrangement for your second home on Hilton Head Island? (Check one circle that best represents your answer)



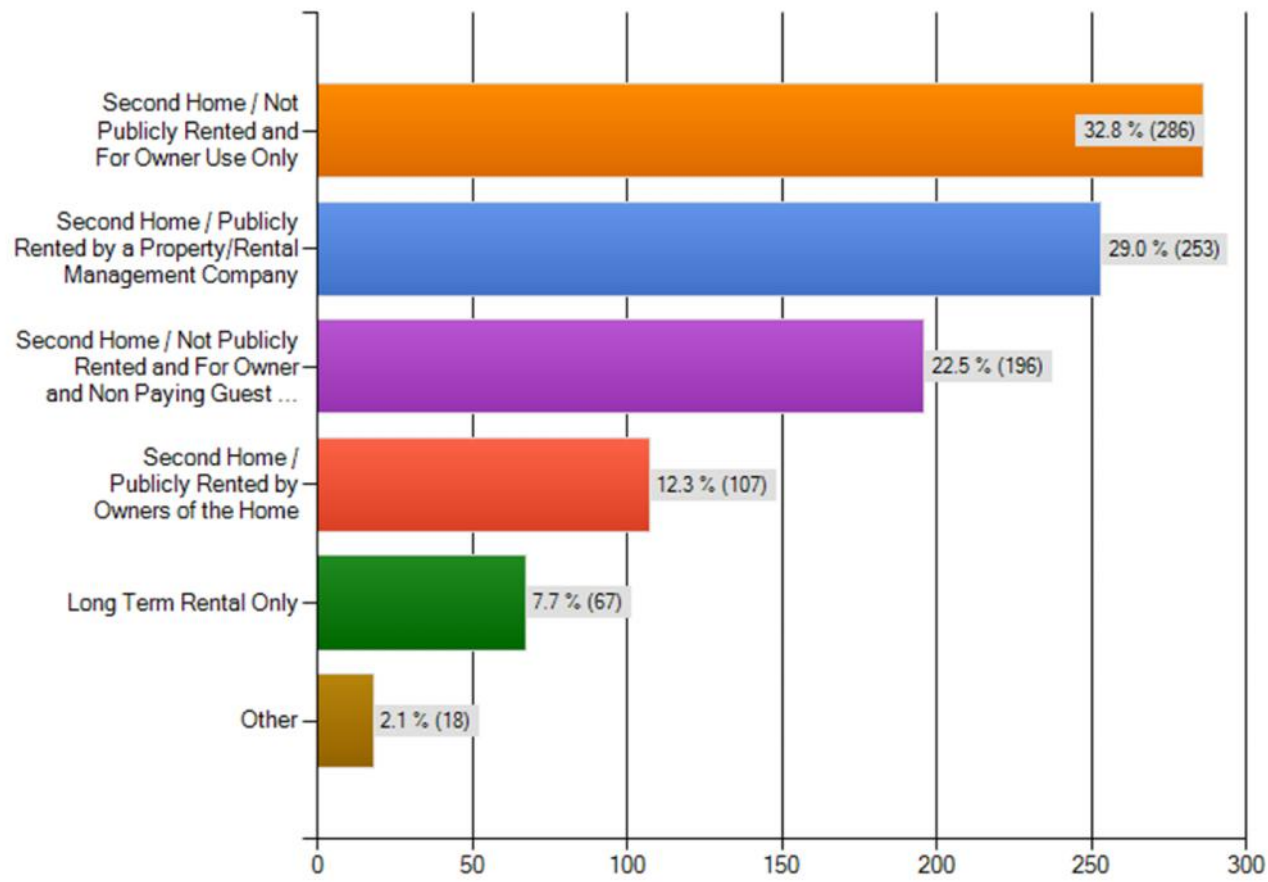
Community of Ownership

Within which community do you own your second home? (Check the circle that best represents your answer)



Current Use of Second Home

How are you currently using your second home on Hilton Head Island? (Check all that apply)

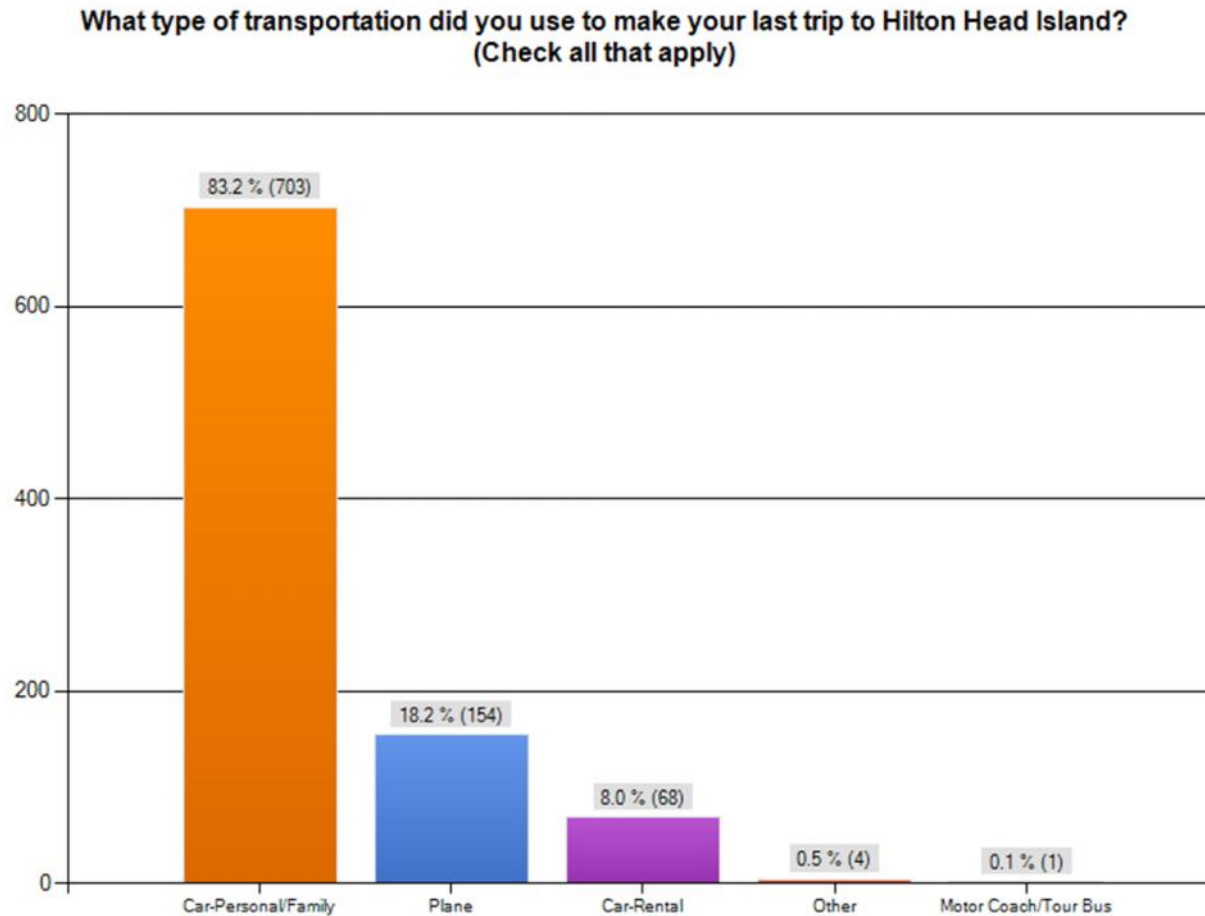


Second Home Usage Estimates

Owners who do not publicly rent their property take 5 vacations per year and stay 7 days per vacation.

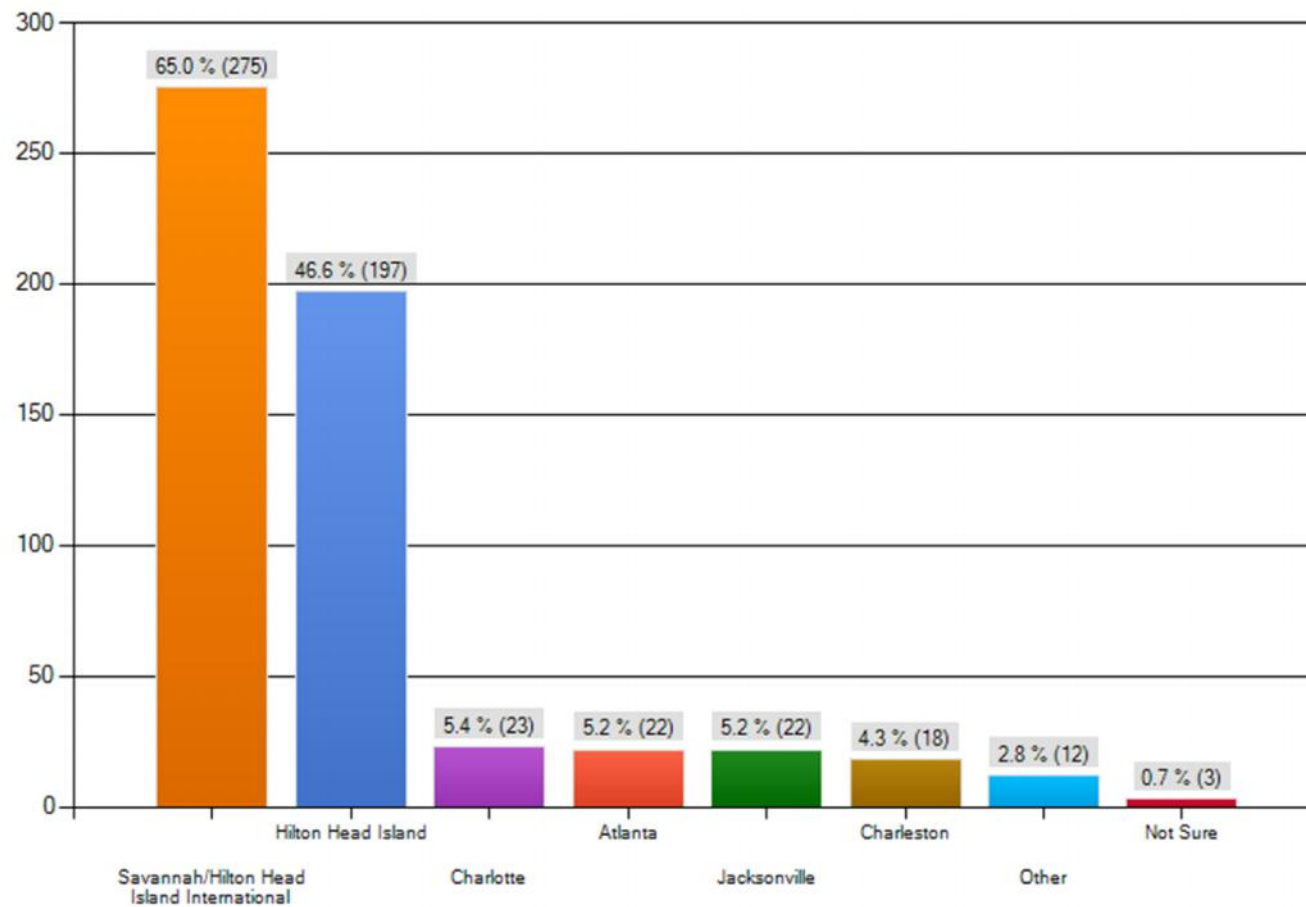
Number of Days Used (Median)	Not Publicly Rented: For Owner Use Only and/or Non Paying Guest (n=62%)	Publicly Rented by a Property Management Company and/or Owners of the Home (n=23%)	Long Term Rental Only (n=8%)	Other (n=2%)	Combination of Any of the Categories (n=2%)
Days the second home is occupied by the family	50	21	14	21	30
Days the second home is occupied by renters	100	100	365	233	98
Days the second home is occupied by non paying guests	15	14	14	14	14

Type of Transportation Used on Last Trip to HHI



Airport Use

If you traveled by plane, which airport did you embark to the Hilton Head Island area? (Check all that apply. If you did not travel by plane, SKIP THIS QUESTION.)

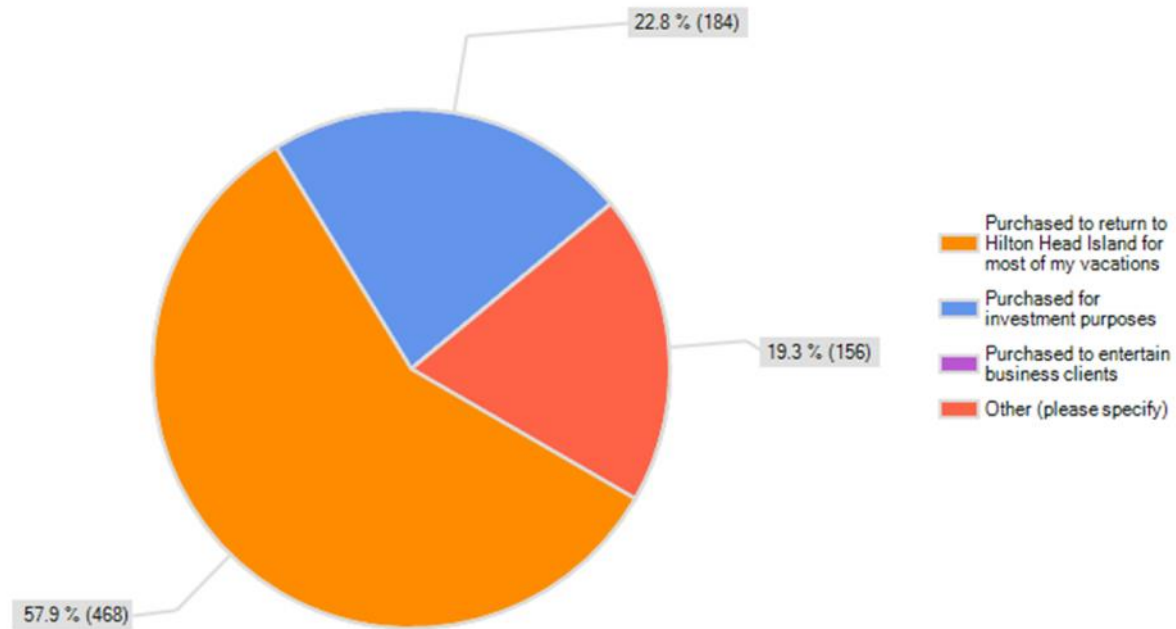


HHI Attributes Ranking

Please rate how important the following attributes are when choosing to vacation on Hilton Head Island. (Check the appropriate box to the right of the island characteristic)	Extremely important	Important	Neutral	Unimportant	Not important at all	Mean	# of Respondents
Beaches	72%	24%	3%	0%	1%	4.66	834
Natural beauty of the destination	66%	31%	3%	0%	0%	4.63	834
Dining/seafood	50%	42%	6%	0%	1%	4.41	831
Ease of access	37%	49%	11%	1%	1%	4.20	825
Cell Phone Signal Strength	36%	40%	17%	3%	4%	4.02	831
Wireless (Wi-Fi) Access	36%	38%	17%	4%	4%	3.97	832
Golf	30%	31%	17%	11%	12%	3.57	831
Environmental/ecological sensitivity	29%	43%	22%	3%	3%	3.93	826
Travel distance	24%	49%	20%	5%	2%	3.87	824
Diversity of activities & places	23%	55%	16%	4%	2%	3.92	824
Affordability	17%	52%	24%	4%	3%	3.77	829
Water sports	10%	33%	34%	11%	12%	3.18	820
Tennis	10%	19%	25%	21%	24%	2.70	828
History/heritage	7%	34%	43%	11%	6%	3.26	821
Arts/culture	6%	39%	41%	11%	4%	3.32	826
Hilton Head VIP card perks	5%	16%	35%	21%	23%	2.58	818
Spa	1%	8%	35%	30%	26%	2.29	823
Volunteer opportunities	1%	7%	38%	28%	26%	2.28	820
Answered Question							838

Reason for Purchase

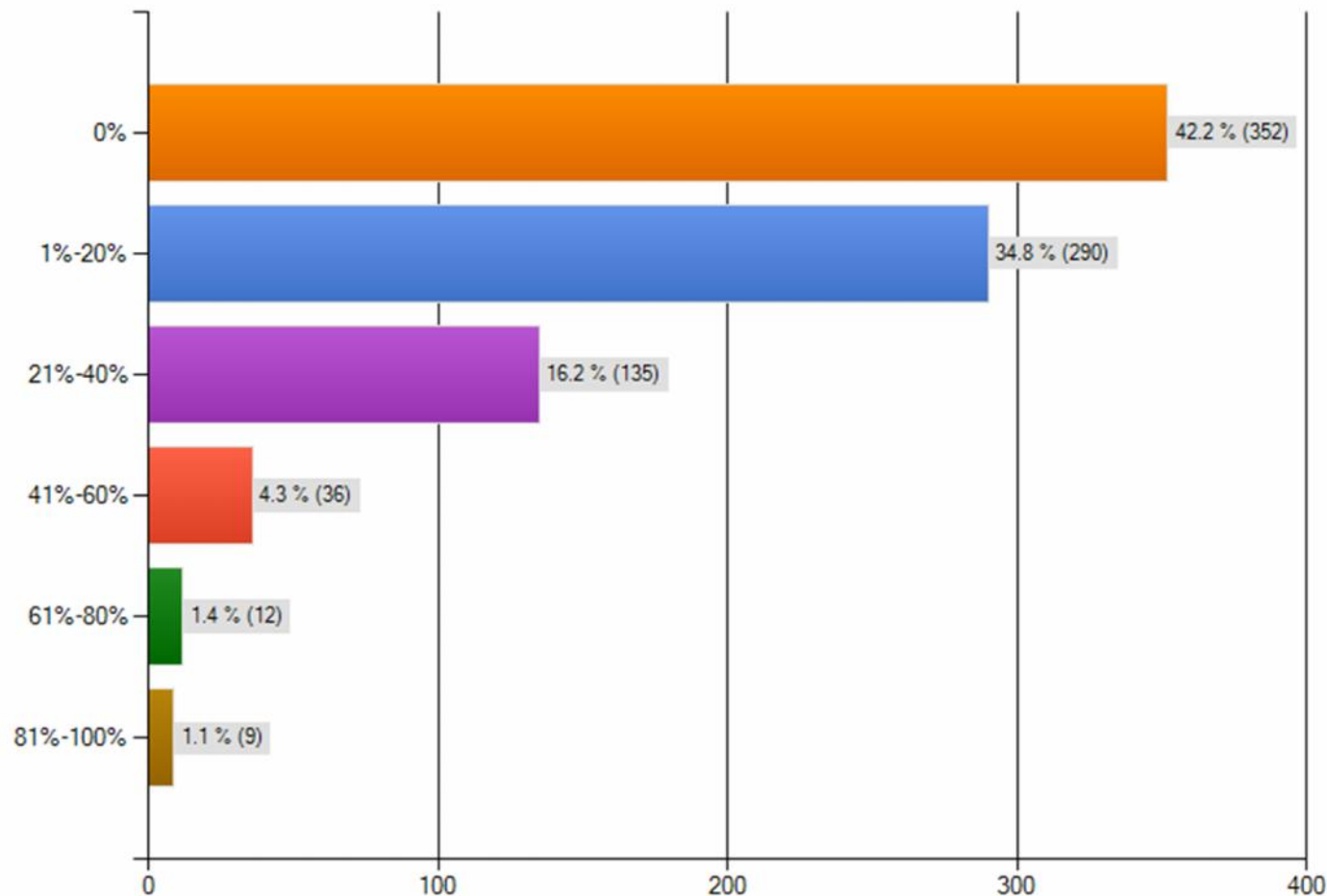
What was the primary reason for your second home purchase?
(Check only one)



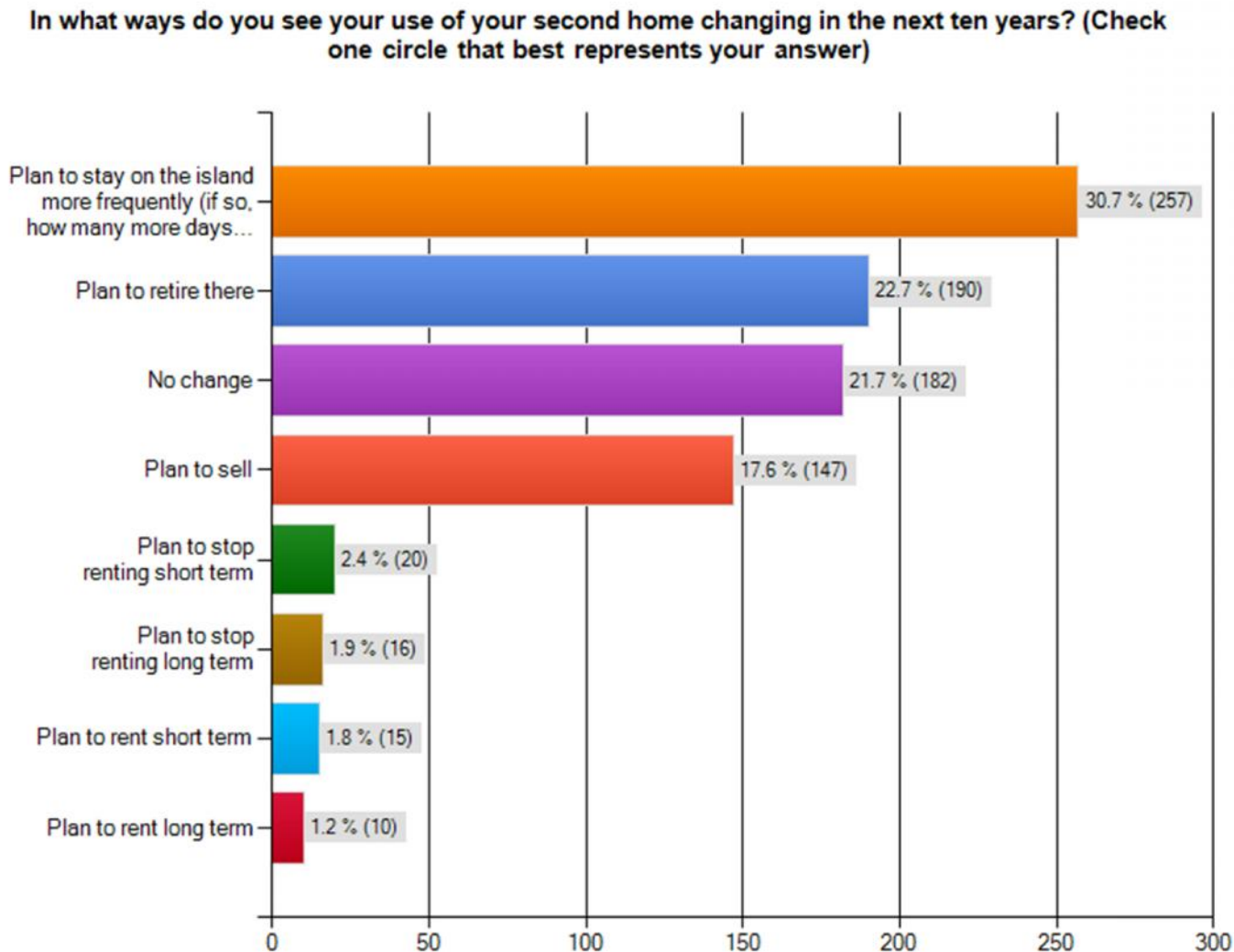
Percentage of Time Spent Working

Approximately 58% indicated they would spend a portion of their time working remotely.

What percentage of your time at your second home is spent working remotely for professional purposes? (Check one circle that best represents your answer)

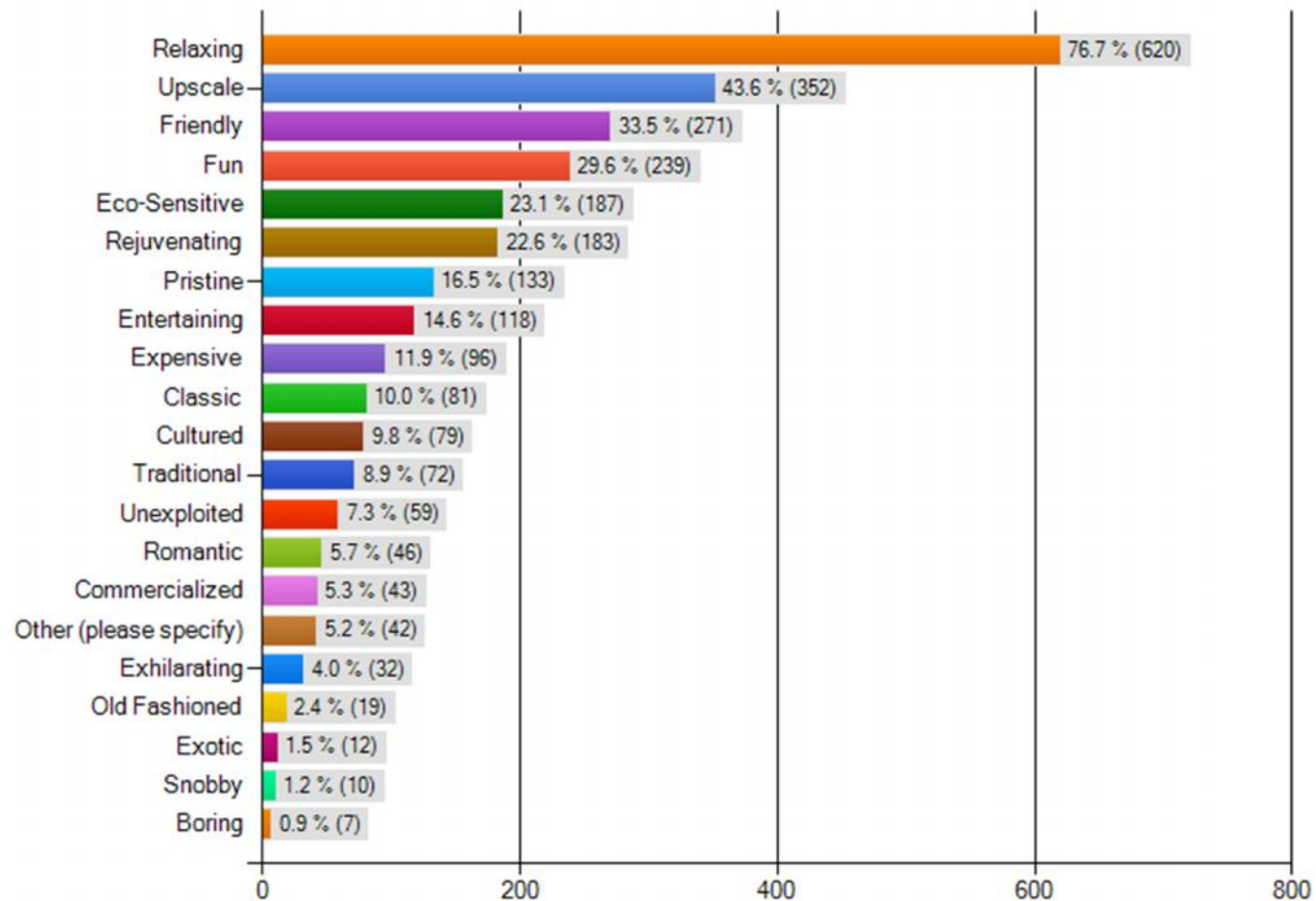


31% of the respondents indicated they were going to stay on the island more frequently. Those respondents indicated they were going to stay on average an additional 79 days per year.



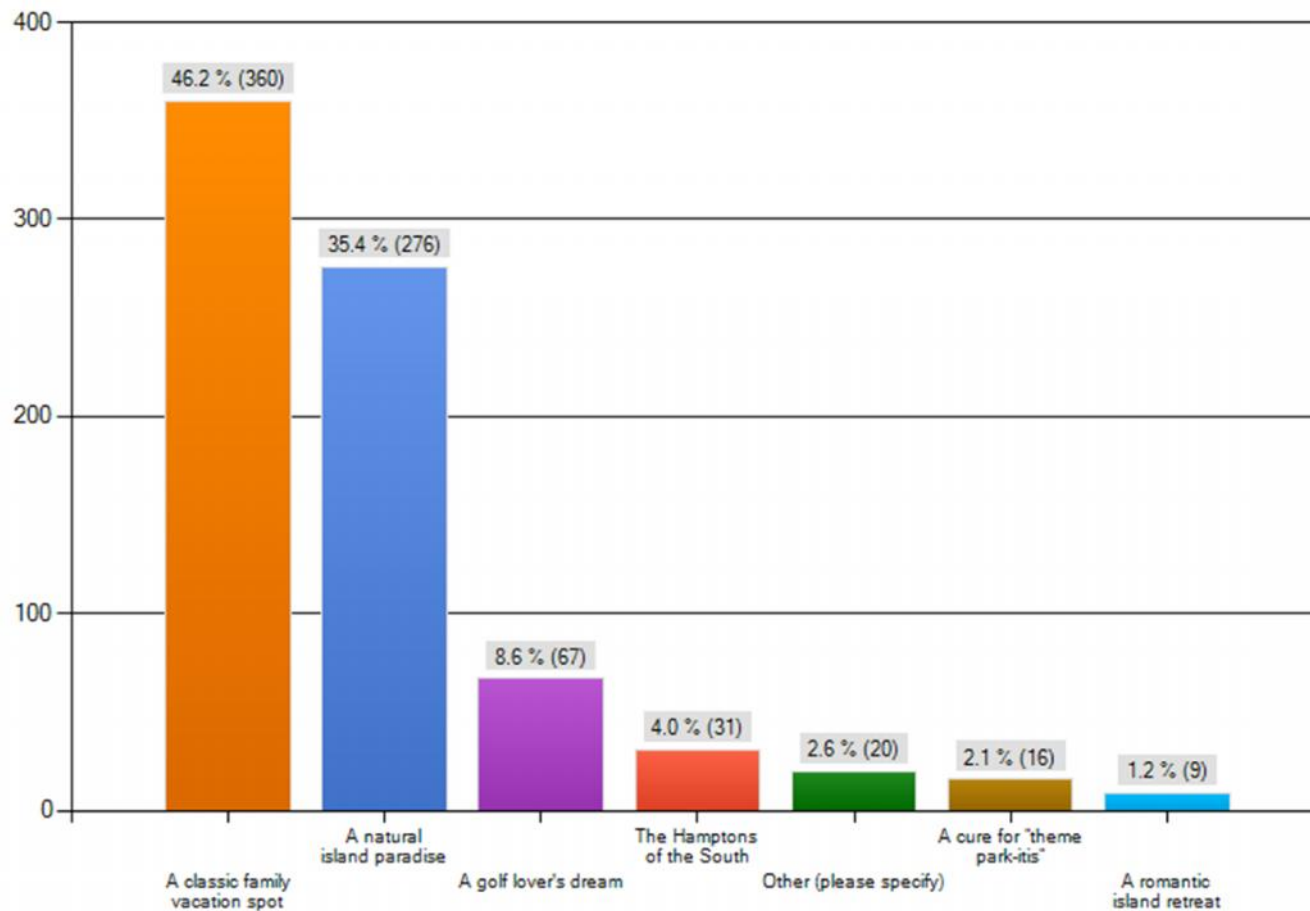
Best Describing Adjectives

Which of the following adjectives best describe the Hilton Head Island area as a leisure travel destination? (Select up to three answers)



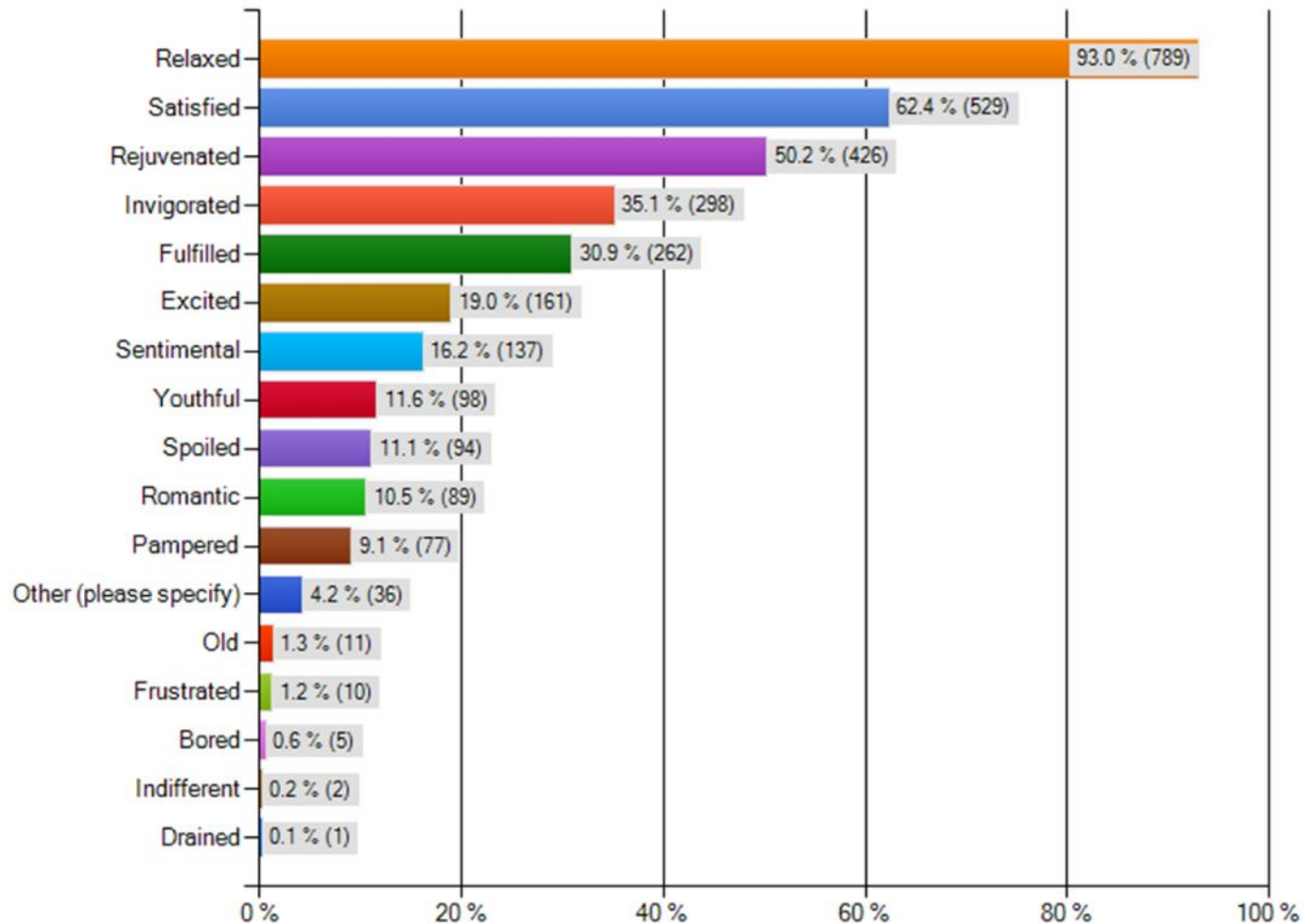
Vacation Destination Description

Based on your experience, which of the following most accurately describes Hilton Head Island as a vacation destination? (Select only one answer)



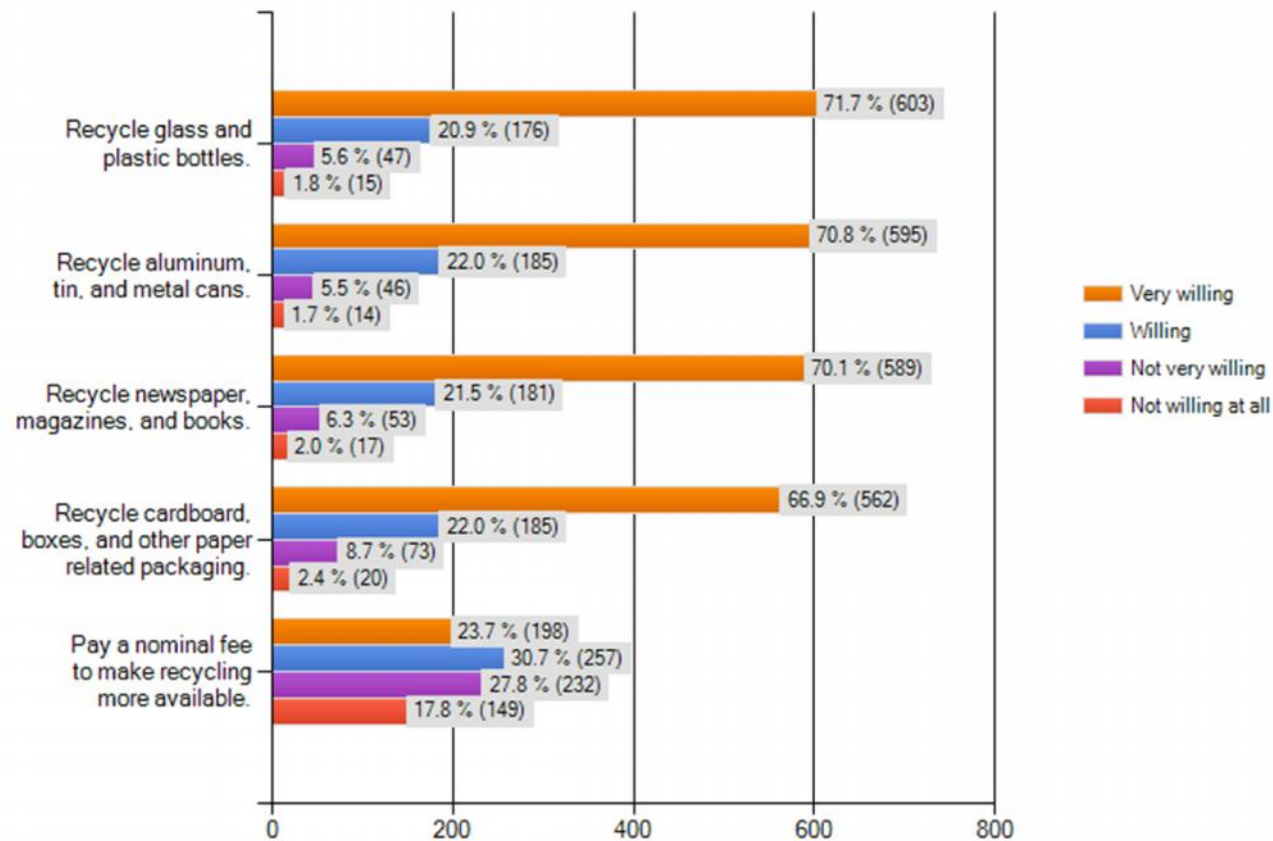
Vacation Feeling

How does a vacation on Hilton Head Island make you FEEL? (Check all that apply)



Most owners would recycle while vacationing on Hilton Head Island

The following statements refer to your behaviors while vacationing on Hilton Head Island. If the environmentally friendly programs were available to you, please indicate how willing you are to practice the following behaviors while on vacation. (Check the appropriate circle to the right)



Second Homeowner Spending

Second Homeowners – Not Publicly Rented: Item	# of Respondents	Missing	Variable
On average, how many people are you financially responsible for when you take a trip to Hilton Head Island? (Please enter your answer in the space provided. If you can't answer the question, please indicate N/A in the space.)	474	81	2.59
Transportation (around the area)	346	209	\$ 133.56
Lodging	26	529	\$ 535.42
Food-dining out	484	71	\$ 430.55
Food-groceries	481	74	\$ 289.34
Beaches	41	514	\$ 119.29
Shopping	423	132	\$ 580.96
Spas	46	509	\$ 205.98
Golf	224	331	\$ 274.56
Biking	53	502	\$ 83.66
Parks	6	549	\$ 40.83
Performance/visual arts	89	466	\$ 124.63
Festivals	54	501	\$ 82.96
Museum/historical tours	50	505	\$ 56.84
Boating/sailing	50	505	\$ 306.60
Nature based activities	28	527	\$ 105.54
Dolphin tours	19	536	\$ 111.58
Tennis	34	521	\$ 102.50
Fishing	33	522	\$ 193.79
Sporting events	16	539	\$ 229.38
Other cultural activities	40	515	\$ 105.43
Other sport activities	23	532	\$ 98.04
Other outdoor activities	33	522	\$ 122.42
Other expenses	115	440	\$ 284.12

Non Paying Guest Spending

If you checked that you have non-paying guests staying in your home, please estimate their TOTAL expenditures in EACH of the following areas during their last trip. Round UP to the nearest amount.		
	# of Respondents	Mean
Transportation (around the area)	173	\$ 102.63
Lodging	18	\$ 116.67
Food-dining out	240	\$ 260.44
Food-groceries	218	\$ 184.03
Beaches	36	\$ 45.56
Shopping	183	\$ 263.93
Spas	26	\$ 162.31
Golf	119	\$ 197.77
Biking	69	\$ 70.94
Parks	11	\$ -
Performance/visual arts	28	\$ 54.46
Festivals	22	\$ 39.77
Museum/historical tours	35	\$ 42.00
Boating/sailing	42	\$ 125.95
Nature based activities	24	\$ 38.33
Dolphin tours	25	\$ 99.40
Tennis	32	\$ 71.72
Fishing	35	\$ 115.00
Sporting events	15	\$ 56.67
Other cultural activities	19	\$ 45.26
Other sport activities	18	\$ 55.83
Other outdoor activities	16	\$ 50.00
Other expenses	44	\$ 184.09

Economic Impact



Generating the Estimates

- 17,343 second-homeowner households
 - Survey: 846 respondents
- Reported spending weighted according to number of respondents in each category:
 - Not Publicly Rented
 - Publicly Rented by Property Management Company
 - Long Term Rental
 - Non-Paying Guests
 - Other

Inputs

Reported Spending Categories

Transportation	Biking	Tennis
Lodging	Parks	Fishing
Food-dining out	Performance/visual arts	Sporting events
Food-groceries	Festivals	Other cultural activities
Beaches	Museum/historical tours	Other sport activities
Shopping	Boating/sailing	Other outdoor activities
Spas	Nature based activities	Other expenses
Golf	Dolphin tours	

Input-Output Model

- Utilized the Regional Dynamics (REDYN) model
- Estimates include:
 - **Direct** (impacts directly resulting from 2nd homeowner spending)
 - **Indirect** (impacts generated by suppliers to businesses servicing 2nd homeowners)
 - **Induced** (impacts generated by consumer spending by the employees whose jobs were created by direct & indirect impacts)

Results

- Reported in terms of:
 - ***Employment*** – total jobs created in Beaufort County
 - ***Output*** – dollar value of goods & services produced within Beaufort County
(*roughly* = county GDP)
 - ***Disposable Income*** – aggregated after-tax household income in Beaufort County
 - ***Net Fiscal*** – local (county & municipal) government revenues net of expenditures

Multipliers

- Based upon ratio of total job creation to jobs created directly by second homeowner spending
- Estimated **employment** multiplier = **1.08**
 - Every 10 directly-created jobs generate approximately 1 additional job in Beaufort County
- Estimated **output** multiplier = **1.12**
 - Every \$100 spent by second homeowners generates an additional \$12 of output in County

Total Estimated Impact

All Second Homeowners

Beaufort County

	2011	2012	2013	2014	2015
Employment	2,176	2,153	2,116	2,081	2,046
Output (x1000)	\$120,650	120,652	120,665	120,674	120,684
Disposable Income (x1000)	\$63,308	63,630	63,653	63,659	63,650
Net Fiscal (x1000)	\$5,484	5,280	5,057	5,069	5,080

(Note: All dollar amounts are in current dollars)

Total Estimated Impact

Non-Paying Guests

Beaufort County

	2011	2012	2013	2014	2015
Employment	120	118	117	115	113
Output (x1000)	\$6,349	6,350	6,350	6,352	6,353
Disposable Income (x1000)	\$3,414	3,437	3,441	3,443	3,445
Net Fiscal (x1000)	\$401	391	379	380	381

(Note: All dollar amounts are in current dollars)

Total Estimated Impact

Total Homeowners + Non-Paying Guests

Beaufort County

	2011	2012	2013	2014	2015
Employment	2,296	2,271	2,233	2,195	2,159
Output (x1000)	\$126,999	127,002	127,015	127,026	127,037
Disposable Income (x1000)	\$66,723	67,067	67,094	67,103	67,096
Net Fiscal (x1000)	\$5,885	5,671	5,436	5,449	5,462
Additional Property Tax Rev (x1000)	\$77,578.6	77,578.6	77,578.6	77,578.6	77,578.6
Total Fiscal (x1000)	\$83,463	83,249	83,015	83,028	83,040

(Note: All dollar amounts are in current dollars)

For more information contact:

John Salazar, Ph.D., CHE

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and**

The Lowcountry & Resort Islands Tourism Institute

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Islands Tourism Institute*

