

Report on the Survey of Iowa Canoe, Kayak, and Innertube Liveries



January 27, 2009

Purpose and acknowledgements

As part of the water trails and low-head dam statewide planning effort mandated and funded during the 2008 session of the Iowa General Assembly and signed into law by Gov. Chester J. Culver, a survey of canoe, kayak, and innertube rental businesses was conducted in the winter of 2008-2009. The total number of canoe, kayak, and innertube liveries in Iowa was known to have grown from 23 in 2004 to 53 in 2008. A survey was developed to determine the economic impact of the industry, and to answer questions about the composition of fleets, types of life jackets being used, and services desired by this industry.

This information will be used to inform both the statewide plan and more immediate program development needs.

We wish to give special thanks to Mimi Wagner, Iowa State University Department of Landscape Architecture, for assistance with survey development and review of the completed survey report and methodology. Also, special thanks to Nancy Landess, manager of the Iowa Tourism Office, for review of the completed survey report and methodology.

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Executive Summary

The 2009 Survey of Iowa Canoe, Kayak, and Innertube Liveries paints a picture of an economically important industry in the state of Iowa.

Some findings include:

- Liveries contribute \$5.14 million to Iowa's economy, with \$1.14 million in rental receipts, and an additional \$4 million for related spending (i.e., lodging, auto-related, eating, drinking).
- Four rivers – the Upper Iowa River, the Des Moines River, the Maquoketa River, and the Iowa River – accounted for \$650,000, or 57 percent, of the total estimated receipts.
- Liveries use public accesses, and some have requested additional public services, including water trail development, law enforcement, and hazard mitigation.
- Canoeing accounted for 48 percent of the total estimated 41,713 trips per year. Innertubing accounted for 44 percent of the total trips, and kayaking accounted for 8 percent.

Of the 53 liveries surveyed, 37 were private entities operating from private locations (usually still using public accesses for launches or landings). The other 16 liveries are either publicly managed or are private concessionaires operating from a public park.

Methodology

Description of the phone survey

Over the past three years, the Iowa DNR Water Trails program has maintained a listing of canoe, kayak, and innertube outfitters on its Web site. Periodically, new liveries are added as they request listings or as DNR staff learns of new liveries. The survey was administered by telephone to all 53 canoe, kayak, and innertube liveries. During each phone interview, a series of questions was asked (see Appendix A for the full survey). If no one answered, when possible, a message was left. If the call was not returned, liveries were called a second time. All responses were made between October 23, 2008 and Jan. 6, 2009.

To increase response rates, survey participants were assured that their individual responses would be kept confidential.

Response rate

In all, 38 liveries answered at least one question in the survey, resulting in a 72 percent response rate.

Analysis and assumptions

To arrive at the total receipts, rental rates were multiplied by the number of trips that liveries reported, and the average was determined by the number of respondents to the question. The average was multiplied by the total number of liveries to arrive at an estimate of total industry receipts. Both minor and major outfitters opted not to respond to the “how many trips” question. Four liveries offered hourly rates; the number of hourly rentals were conservatively estimated at an average of 3 hours per trip, and multiplied by the hourly rate.

Identical analysis methods were used to calculate the canoe, kayak, and innertube rental receipts for the top four rivers, each of which has two or more liveries.

A multiplier of 3.5 was applied to total industry receipts to show economic impacts of related spending (lodging, groceries, automobile related, eating/drinking, souvenir/gift, entertainment, and miscellaneous categories) while on a canoe, kayak, or innertubing trip. See Appendix C for an explanation of this multiplier, based on a Kickapoo River user-intercept study.

Survey results

Response rates

Table 1 shows response rates for each question.

Table 1

Question	Number of responses to question	Response rate
Please verify all information we are currently listing on the DNR web site.	38	72%
How many of the following are in your rental fleet?	38	72%
How many kayaks are under 13 feet?	18	34%
Are you registering those kayaks under 13 feet?	21	40%
What are your rental rates for... (canoe, kayak, tube)	36	68%
How many trips would you estimate that you run each season for ...	32	60%
What type of life jackets do you outfit your customers with?	37	70%
How can DNR better assist in helping to provide a safe, fun, environment for your clients?	37	70%

Survey results for each question

1) Please verify all information we are currently listing on the Iowa DNR Web site (contact info, river or other waterbody served, etc) and fill in any missing gaps (try to get phone #s and e-mails).

2) How many of the following are in your rental fleet (canoes, kayaks, innertubes)?

Table 2

Industry total numbers in fleet, end of 2008 season		
<i>Canoes</i>	<i>Kayaks</i>	<i>Innertubes</i>
1,148	358	2,049

3) Are there kayaks in your fleet under 13 feet?

An estimated total of 25 out of 53 Iowa liveries are using kayaks under 13 feet.

The general public must register all craft greater than 13 feet in length. Commercial craft of all lengths are required under Chapter 462 A to be registered. It is apparent that a

number of liveries (11) are not aware that all commercial craft must be registered, as they are not registering kayaks under 13 feet, assuming they can use the same exemption as general public.

4) *Are you registering those kayaks under 13 feet?*

An estimated total of 11 liveries have un-registered kayaks under 13 feet.

5) *What are your rental rates for (canoes, kayaks, innertubes)?*

Table 3

Industry average rental fees, 2009		
<i>Canoes</i>	<i>Kayaks</i>	<i>Innertubes</i>
\$27/day; \$9/hr	\$27/day; \$9/hr	\$10 per trip

6) *How many trips would you estimate that you run each season for (canoes, kayaks, innertubes)?*

Table 4

Trips per season		
<i>Canoes</i>	<i>Kayaks</i>	<i>Innertubes</i>
21,474	3,516	19,486

Table 5

Reported Rental Fees, by type		
<i>Canoes</i>	<i>Kayaks</i>	<i>Innertubes</i>
\$366,163	\$42,160	\$282,154

The reported receipts of \$690,477 were averaged for 35 respondents at \$21,577 per livery. The average was multiplied by the total number of outfitters (53) to arrive at \$1.14 million across the industry. To determine an industry estimate of receipts for type, a multiplier of 1.65 (\$1.14 million/ \$690,477) was applied to reported receipts for each category.

Table 6

Estimated Industry Fees, by type			
<i>Canoes</i>	<i>Kayaks</i>	<i>Innertubes</i>	<i>Total</i>
\$604,169	\$69,564	\$465,554	\$1.14 million

The industry takes in estimated receipts of \$1.14 million annually. The 21,474 canoe trips, 3,516 kayak trips, and 19,486 innertube trips taken result in an additional \$4 million from lodging, groceries, automobile related, eating/drinking, souvenir/gift, entertainment, and miscellaneous categories. In total, the industry generates \$5.14 million for Iowa's economy. The rental industry also purchases watercraft, with a fleet of 1,148 canoes, 358 kayaks, and 2,049 innertubes.

The same data were grouped by river and analyzed. Four rivers, the Upper Iowa River, the Des Moines River, the Maquoketa River, and the Iowa River, accounted for \$654,872, or 57 percent, of the total calculated \$1.14 million industry receipts. The ranges were approximately \$140,000 - \$190,000 in revenue per river. (More specific data or rankings on each river will not be reported, as limited respondent sizes would result in individual livery's data to be determined. See "Limitations" under the "Conclusion" section for more details.)

7) *What type of life jackets do you outfit your customers with?*

Out of 37 respondents, 15 liveries reported offering type II (orange horse-collar type) life jackets, 13 offered type III (vest with straps) life jackets, and eight offered both (some offered type IIIs upon request, others offer them only for children). One livery did not know which type their business was using.

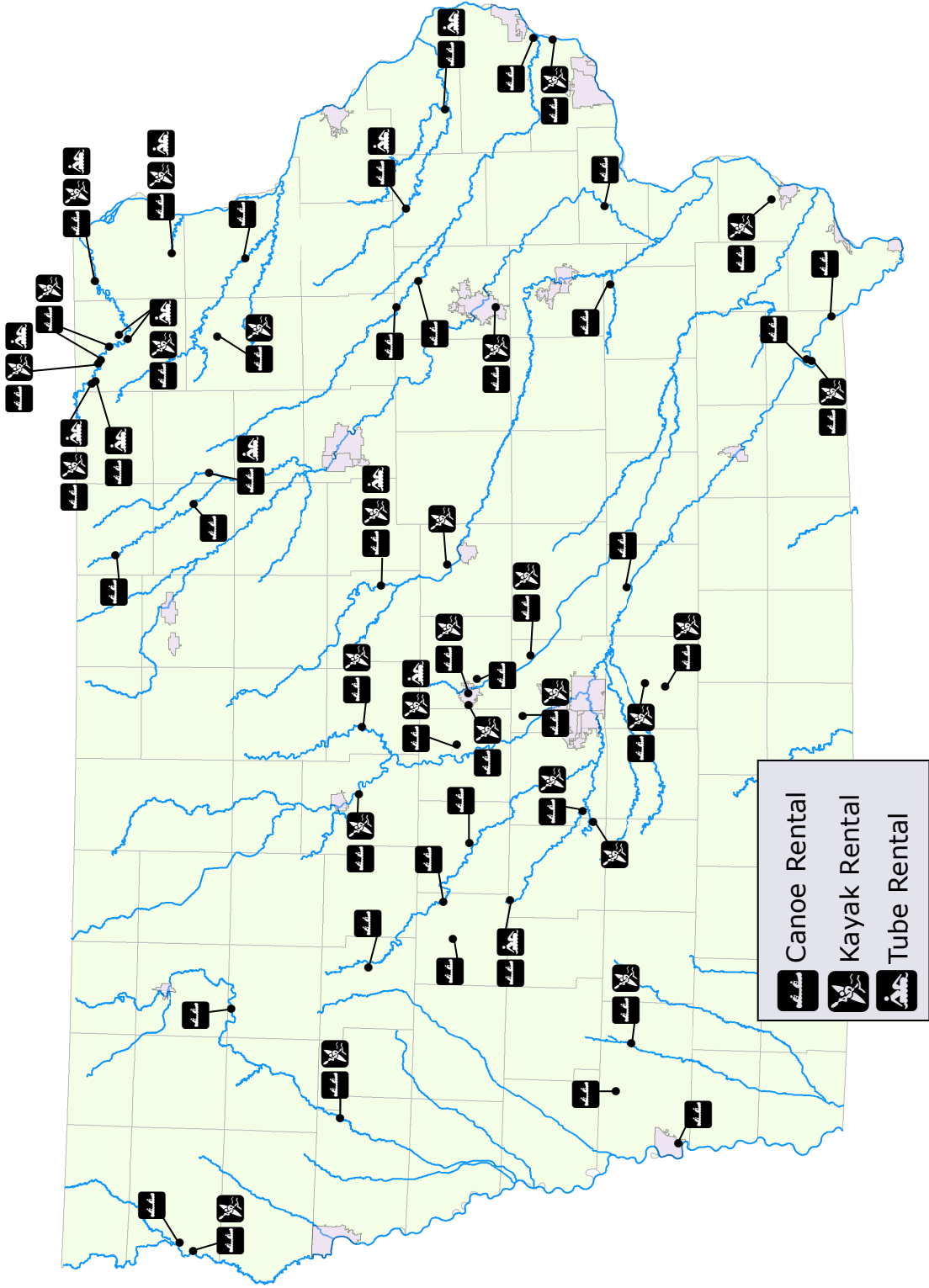
Table 7

Estimated Industry Fees, by type			
<i>Type I</i>	<i>Type II</i>	<i>Both</i>	<i>Don't know/no answer</i>
39%	34%	21%	6

8) *How can DNR better assist in helping to provide a safe, fun environment for your clients?*

Of the responses, 15 were "nothing," and 21 offered additional suggestions recorded in Appendix B.

Canoe, Kayak, and Innertube Liveries in Iowa



Conclusion

Findings

This survey resulted in several key findings.

Liveries contribute \$5.14 million to Iowa's economy

Canoe, kayak and innertube rental has become a significant industry in Iowa, generating \$1.14 million of its own receipts, and an additional \$4 million for other industries, such as the hospitality industry, grocers, convenience stores, etc.

Innertubing is a major part of this industry

Innertubing trips (19,486) exceeded the number of kayaking trips (3,516), and was not far behind the number of canoeing trips (21,474). Innertubes, and their impacts on economic development as well as accompanying safety and law enforcement issues, likely need to be more carefully considered.

Most livery revenues are concentrated on four rivers

About 57 percent of the industry was concentrated on four rivers, the Upper Iowa River, the Des Moines River, the Maquoketa River, and the Iowa River, which collectively accounted for \$654,872. The ranges were approximately \$140,000 - \$190,000 in revenue per river.

Kayaks under 13 feet

Assuming all registrations are paid, at \$4 per canoe, the livery would generate \$6,024 for the Department annually. This indicates the industry may receive more public benefit from state and county natural resource programs (access and signage development, water trails, law enforcement) than revenues it generates for those entities.

Life jacket types

Types of life jackets used for paddlers factor into paddlers decision-making about whether to wear, or not wear, a life jacket. Type III life jackets are more expensive to purchase, but are more likely to be worn by clients because of comfort and mobility. Currently, 55 percent of liveries are offering Type III life jackets, and 34 percent are offering them exclusively.



A type III life jacket.

Recommendations to the DNR from liveries

While many livery owners have few additional expectations from the Iowa DNR, a number of them would like to see additional services. Water trails development and related amenities (access improvements, signage, parking areas, restroom facilities, etc.) were commonly requested, as was clearing logs or other obstructions. Promotional assistance, increased law enforcement, leadership of clean-ups, litter reduction programming, and safety mitigation at low-head dams were also mentioned.

Private entities reported more revenues than public entities

Of the 53 surveyed liveries, 37 were private entities operating from private locations (most still do use public accesses for launches or landings). The 16 remaining liveries are either publicly managed or are private concessionaires operating directly from a public park. The park-based liveries in this survey accounted only for \$40,000 of the total \$1.14 million, suggesting this is a relatively minor overall portion of the industry. However, this segment may be somewhat under-reported, due to some entities not requesting a listing on the Iowa DNR Web site.

Limitations

A number of limitations of the methodology used in this survey should be discussed. The industry totals may be under-reported because some liveries on county and city lakes may not be listed on the Iowa DNR Water Trails program Web site.

Reported hourly receipts totaled \$22,165, or about 3 percent of the total reported receipts.

The survey was conducted at the end of 2008, which was a year of serious flooding. For that reason, rather than asking for actual receipts for the 2008 season, the question of “how many trips you would run each season” was selected. The intention was for the liveries to report a normal season’s activity. However, it was noted that several livery owners reported their 2008 figures anyway. If replicated, any future study should re-word question No. 6 to attempt to estimate the immediate past season’s actual receipts so that more meaningful trend-lines can be established over time. Because the total number of liveries grew from 23 in 2004 to 53 in 2008, it could be inferred that the industry has grown, but further documentation of the growth is warranted.

In analyzing the data, it appeared significant that a large share of the receipts were estimated to be on just four streams. In order to keep information from individual livery operations confidential, a range of revenues was established based on the highest and lowest revenue values for the top four rivers (See “Survey Results” section). More specific rankings will not be reported in order to preserve confidentiality.

Appendix A

Table 8

Phone survey script

DNR currently lists outfitters on its Web site for people seeking canoeing and kayaking services, and provides spring trainings for canoe/kayak livery managers and their staffs. We view canoe and kayak outfitters as essential in providing what's often people's first experiences on our public waterways. In an effort to better understand and better serve your industry, we would like to verify your contact information, and ask you a few quick questions about your business.

Your participation and all information you provide is confidential. This information about Iowa's paddlesports rental industry will be shared with you after it is compiled. All information made public will not be linked with individual liveries.

- 1) Please verify all information we are currently listing on the DNR web site (contact info, river or other waterbody served, etc) and fill in any missing gaps (try to get phone #s and e-mails).
- 2) How many of the following are in your rental fleet?
 canoes
 kayaks
 innertubes
- 3) Are there kayaks in your fleet under 13 feet?
- 4) Are you registering those kayaks under 13 feet?
Yes / No
- 5) What are your rental rates for...
 canoes
 kayaks
 innertubes
- 6) How many trips would you estimate that you run each season for ...
 canoes
 kayaks
 innertubes
- 7) What type of life jackets do you outfit your customers with?
 type II (orange horse-collar type)
 type III (vest type)
- 8) How can DNR better assist in helping to provide a safe, fun environment for your clients?

Appendix B

Table 9

How Can DNR Better Assist?
There are a lot of trees on the bank of the river. (Willing to help in any way).
This year was really good, just checking accesses more often.
Water trail development.
Help advertising.
Has called the DNR every year for 15 years that they would like some help in cleaning up the snags, the three or four bad spots where people are canoeing. If not clean them out, put up signage. Has offered free help (cabins, canoes, help, transport).
Keep the river clean
Minnesota's DNR takes obstacles out of the rivers. Take care of party drinking, never seen the new officer out on the river.
Been working on signage, want it to become a water trail, have to operate between dams, down stream really bad with log jams.
No, on oxbow lake so it's already very safe.
After flood lots of trash in river (glass, car parts, etc)
Take care of toxic levels of different metals in water.
Better accesses, lost main access from floods. (other than that doing a really good job).
Law enforcement on local level as far as facilitating launches. Need signage and parking. Someone to be seen so people don't litter on the river.
Know water conditions.
He would like to clear trees when he has a log jam.
Canoe landing needs to be repaired.
Has no bathrooms but it says on DNR site they have them, used to have them though. Just porta potties would be great.
Allow them to put up signs at park, and hand out brochures if they made them.
Accesses - Need more.
Take out low-head dams, put in portages.
The river clean-ups are great, would like to see more of that.

Appendix C

In the Kickapoo River, Wis., user-intercept study conducted in 1999, \$274,300 in spending was reported for canoe rentals and shuttles. Related expenses for canoe livery trips resulted in \$955,700 in direct spending for lodging, groceries, automobile related, eating/drinking, souvenir/gift, entertainment, and miscellaneous categories, resulting in a multiplier of 3.5 (total spending divided by canoe rental spending). (Anderson, 1999.) Being the geographically nearest known economic study with a stream similar in character to northeast Iowa streams, this multiplier will be used for this report to determine total economic contributions of liveries to Iowa's economy.

Table 10

Kickapoo River Study Results, 1999	
Canoe Rentals / shuttling	\$274,300
Lodging	\$289,000
Groceries	\$168,700
Automobile-related	\$124,800
Eating / Drinking	\$243,800
Souvenirs / Gifts	\$49,700
Entertainment	\$24,100
Miscellaneous	\$57,100
Total expenditures	\$1,230,000

Source: Alan Anderson. 2000. "Kickapoo study." Outdoor recreation, community development, and change through time: A replicated study of canoeing and trout angling in Southwestern Wisconsin. University of Wisconsin, Cooperative Extension Center for Community Economic Development.