2013 Economic Impact of Tourism in Carroll County

Methodology, Metrics and Evaluation

HONEST-to-GOODNESS INDIANA Est. 1816

ROCKPORT ANALYTICS

ROCKPORT ANALYTICS

Key Inputs & Data Tools

Indiana Office of Tourism Development

- 2013 Tourism Economic Impact Study
- Tourism Support/Promo Spending
- http://www.in.gov/visitindiana/about-iotd/

Longwoods International

- Visitor Volume & Spending
- Panel survey of 600,000 households per year
- http://www.longwoods-intl.com/

Government Sources

- Bureau of Labor Statistics
- Bureau of Economic Analysis
- IN Gaming Commission
- Indiana Office of Fiscal & Management Analysis

Private Data Sources

- Smith Travel Research

IMPLAN Model

- Local economic model
- Defacto standard for most economic impact work
- www.implan.com

Carroll County Tourism Economic Impact

- Value-Added (GDP)
- Wages & Income
- Jobs
- Taxes

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Background & Methodology

Study Overview

A research cooperative was formed in 2013 by the Indiana Office of Tourism Development and Tourism Tomorrow to make this county-level economic impact study possible. The research cooperative engages leading and nationally recognized tourism research and economics experts. It was established to align the state of Indiana, its counties and largest cities around common research methodologies and industry best practices. This 2013 Economic Impact Study of Tourism in Carroll County was conducted by Rockport Analytics, an independent market & economic research firm.

Methodology

The total economic impact of travelers is separated into three distinct effects: direct, indirect, and induced. The direct impacts represent the value-added of those sectors that interact directly with, or touch, the visitor. The indirect impact represents the benefit to local suppliers to those direct sectors. This would include, for example, Carroll County-based food suppliers to restaurants. The induced impact adds the impact of tourism-generated wages as they are spent throughout the local economy on an array of goods & services.

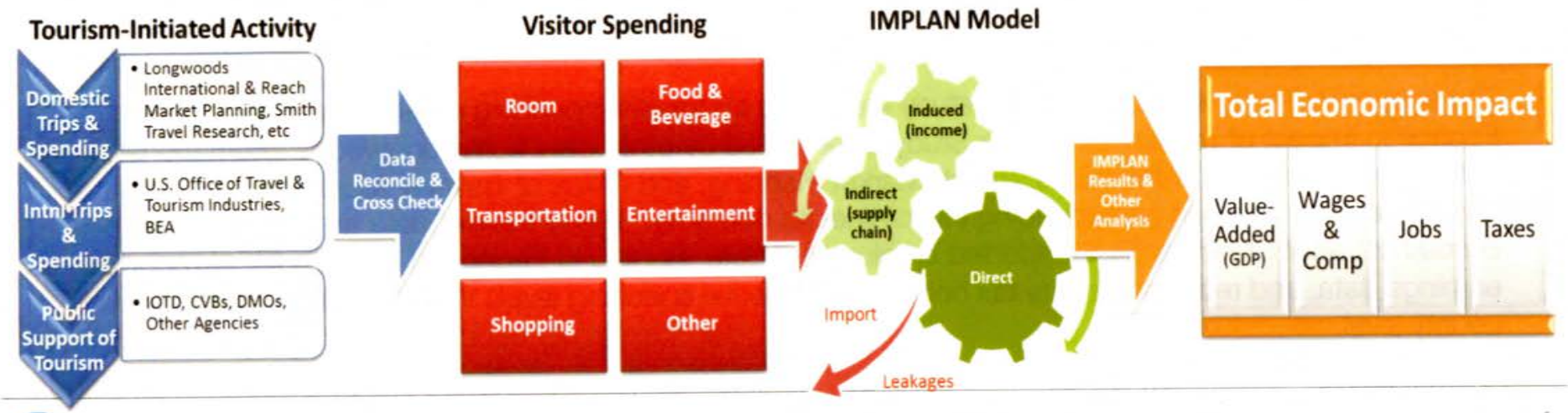
The economic impacts reported in this study are based on traveler spending as reported in the 2013 Economic Impact of Tourism in Indiana Study, augmented by other data from Longwoods International (http://www.Longwoods-Intl.com/), Reach Market Planning, and Office of Travel & Tourism Industries data on international visitation and spending (http://tinet.ita.doc.gov). These traveler data are reconciled with Bureau of Labor Statistics (BLS) reported employment data, Bureau of Economic Analysis (BEA) reported earnings data, and reported county tax collections to derive spending levels that are representative at the county level. >>

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Methodology Cont.

An economic model of Indiana is also critical to estimating how traveler spending resounds through the state and county-level economies. Rockport Analytics has chosen the IMPLAN model for Carroll County (www.implan.com), a non-proprietary economic model that is the defacto standard for most economic impact assessments in the United States. This model is critical to measuring the direct, indirect, and induced impacts of visitation to the state.

IMPLAN also to measure how much of each tourism dollar remains in the local economy. Total traveler spending generally exceeds the direct impact of tourism. This is because not all goods and services purchased by travelers are supplied by firms located in Indiana. The IMPLAN model accounts for these import "leakages" to suppliers located outside of the county. Generally, the more diversified a county's economy, the lower are import leakages and the higher the retention and multiplier of visitor spending.



Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

ROCKPORT ANALYTICS 2013 Carroll County Tourism Highlights

Spending by Visitors to Carroll County totaled $6.0 million in 2013, up 3.1% from 2012

- ✓ Visitors spent $251,000 on lodging, $1.8 million on food & beverages, $1.2 million on shopping, $1.2 million on entertainment and recreation, and $1.5 million on transportation.
- ✓ The economic impact of these expenditures (after import leakages) totaled $3.1 million. This includes $2.5 million in direct economic impact, $339,000 in indirect economic impact (supplier effect), and $284,000 in induced economic impact (income effect).
- ✓ Of every tourism dollar spent in Carroll County in 2013, 52 cents 'stayed' local and led directly to the gross county product of Carroll County.

Visitor Spending in Carroll County supported 96 Jobs and $1.4 million in labor income

- ✓ Traveler spending supported 96 jobs in Carroll County in 2013. Of these, 85 were directly employed by tourism sectors. Tourism generated an additional 6 indirect jobs and 5 induced jobs.
- ✓ $1.4 million in total wages and proprietor income were generated for these employees.

Visitors Generated Federal, State, and Local Tax Revenue totaling $983,000 in 2013

- ✓ Federal tax collections resulting from tourism in Carroll County totaled $340,000 including corporate & personal income taxes, excise taxes and social security collections.
- ✓ State and local tourism-derived taxes totaled $643,000, including $297,500 in sales taxes contributing to state tax collections and $245,900 in property taxes to support the local tax base.

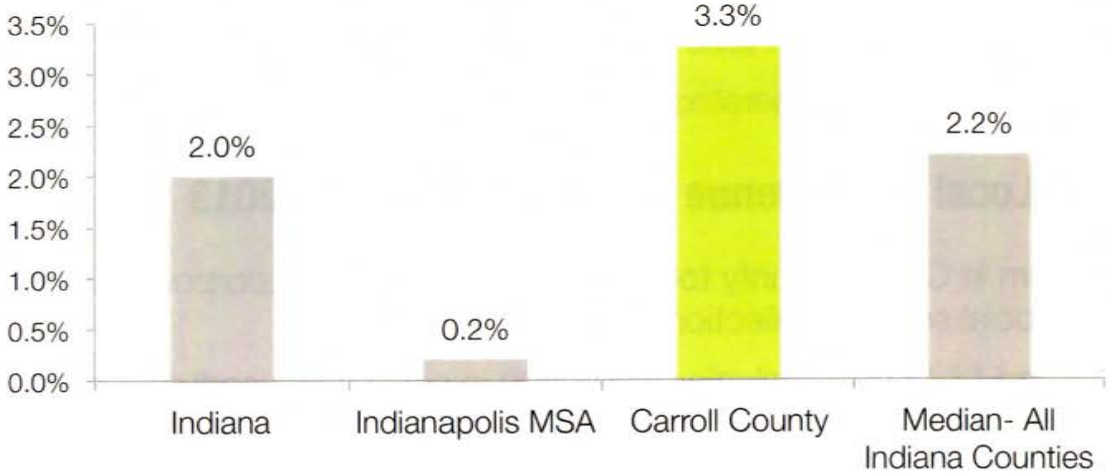
Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Carroll County At a Glance

Carroll County's 2013 Tourism Report Card

Tourism Sales Per Capita	$298.41
Tourism Spend Per Capita Ranking	#70 of 92
2013 Spending by Visitors (Millions)	$6.0
County Ranking of Tourism Spend	#50 of 92
2013 Tourism Spending Growth	3.3%
2013 Tourism Growth Ranking	#28 of 92

Annual Growth in 2013 Tourism Spending



Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

ROCKPORT ANALYTICS

Carroll County Tourism Impact Flows

Total Tourism Spending

2013 Total Expenditures $6.0 million

Value to Indiana Economy

Economic Impact $3.1 million

Minus Import Leakages $2.9 million

Examples of import leakage include:

- Retail goods
- Food
- Cleaning supplies
- Computer equipment
- Raw materials

Impact on Indiana Businesses

Direct Impact $2.5 million

Indirect (Supply Chain) $339,000

Induced (Income) $284,000

Industries directly providing goods and services to the visitor e.g. restaurants

Industries providing goods & services to front-line businesses e.g food suppliers

Direct & Indirect incomes spent at an array of Indiana businesses e.g health care

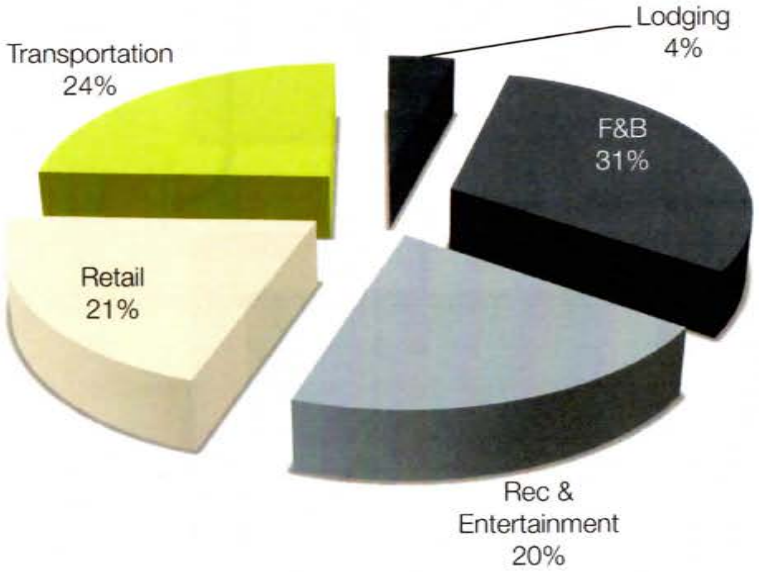
Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Visitor Spending By Category

Food & Beverage accounts for the largest share of tourism spend in Carroll County, totaling **31% of visitor expenditures.**

Distribution of Tourism Spending

$6.0 Million USD



Expenditure Category	2013	2012-13 Growth
Lodging	$251,112	3.3%
F&B	$1,841,701	0.5%
Rec & Entertainment	$1,219,437	9.3%
Retail	$1,230,327	2.0%
Transportation	$1,458,077	3.2%
Total	$6,000,654	3.3%

Categorical Spending Shares: State Comparisons

	Carroll County	Indiana
Lodging	4%	15%
F&B	31%	27%
Rec & Entertainment	20%	18%
Retail	21%	22%
Transportation	24%	18%
Total	100%	100%

Source: Longwoods International, OTTI, Reach Market Planning, Smith Travel Research, Rockport Analytics

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

ROCKPORT ANALYTICS

Tourism's Bottom Line in Carroll County

2013 Economic Impact Summary (Compared to 2012)

2013 Metric	Direct	Indirect	Induced	Total
Total Spending				$6,000,654
2013 Y/Y Growth				*3.3%*
Economic Impact (GDP)	$2,490,305	$338,871	$284,493	$3,113,669
2013 Y/Y Growth	*1.0%*	*0.1%*	*0.6%*	*0.9%*
Wages	$1,154,203	$127,455	$101,697	$1,383,354
2013 Y/Y Growth	*0.6%*	*0.4%*	*0.6%*	*0.6%*
Jobs	85	6	5	96
2013 Y/Y Growth	*0.1%*	*0.5%*	*0.6%*	*0.1%*
Tax Receipts				$983,290
2013 Y/Y Growth				*1.7%*

Impact Glossary

Direct: These impacts represent the value added of those sectors that interact directly, or "touch", the visitor.

Indirect: These impacts represents the benefit to local suppliers to those direct sectors. This would include, for example, local based food suppliers to restaurants.

Induced: These impacts are derived from tourism-generated wages as they are spent throughout the local economy.

Source: Rockport Analytics, Longwoods International, STR, BLS, BEA, Indiana Office of Fiscal & Management Analysis, IMPLAN

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Tourism Supports Sales in a Multitude of Industries

Carroll Tourism: 2013 Economic Impact (Value Added/GDP)

Thousands of $s

Industry (NAICS)	Direct	Indirect	Induced	Total
Retail trade	$1,150	$5	$36	$1,191
Food services & drinking places	$784	$7	$11	$803
Arts- entertainment & recreation	$557	$1	$2	$560
Real estate & rental	$0	$112	$117	$229
Professional Services	$0	$54	$12	$66
Utilities	$0	$35	$10	$45
Wholesale Trade	$0	$17	$16	$34
Finance & insurance	$0	$17	$16	$32
Government & non NAICs	$0	$27	$5	$32
Other services	$0	$15	$15	$29
Health & social services	$0	$0	$28	$28
Administrative & waste services	$0	$17	$4	$21
Construction	$0	$10	$4	$14
Information	$0	$8	$3	$11
Transportation & Warehousing	$0	$7	$3	$10
Manufacturing	$0	$4	$0	$4
Ag, Forestry, Fish & Hunting	$0	$2	$1	$3
Mining	$0	$0	$0	$1
Educational services	$0	$0	$0	$0
Accommodations	$0	$0	$0	$0
Management of companies	$0	$0	$0	$0
Total	**$2,490**	**$339**	**$284**	**$3,114**
Total - 2012	$2,464	$338	$283	$3,086
% change	***1.0%***	***0.1%***	***0.6%***	***0.9%***

Source: Rockport Analytics, IMPLAN

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

ROCKPORT ANALYTICS

Jobs in a Wide Array of Sectors Also Impacted by County Tourism

Carroll Tourism: 2013 Economic Impact (Employment)

Industry (NAICS)	Direct	Indirect	Induced	Total
Food services & drinking places	39	0	1	40
Retail trade	36	0	1	37
Arts- entertainment & recreation	10	0	0	10
Real estate & rental	0	1	1	2
Professional Services	0	1	0	1
Other services	0	0	1	1
Administrative & waste services	0	1	0	1
Health & social services	0	0	1	1
Government & non NAICs	0	0	0	1
Construction	0	0	0	0
Finance & insurance	0	0	0	0
Wholesale Trade	0	0	0	0
Transportation & Warehousing	0	0	0	0
Information	0	0	0	0
Utilities	0	0	0	0
Manufacturing	0	0	0	0
Ag, Forestry, Fish & Hunting	0	0	0	0
Educational services	0	0	0	0
Mining	0	0	0	0
Accommodations	0	0	0	0
Management of companies	0	0	0	0
Total	**85**	**6**	**5**	**96**
Total - 2012	85	6	4	96
% change	***0.1%***	***0.5%***	***0.6%***	***0.1%***

Source: Rockport Analytics, IMPLAN

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Tourism is the 12th Largest Industry in Carroll County

2013 Tourism in Carroll County: Ranking of Major Industries By Total Employment

Rank	Industry	2013 Reported	2013 Tourism Extracted	% of Total Employment	12-13 Growth Rate
1	Manufacturing	2,270	2,270	37.8%	7.6%
2	Government	1,290	1,290	21.5%	3.9%
3	Accomodation & Food Services	553	514	8.6%	-4.0%
4	Retail trade	416	380	6.3%	0.2%
5	Construction	264	264	4.4%	-1.5%
6	Transportation & Warehousing	232	232	3.9%	4.0%
7	Wholesale Trade	201	201	3.4%	12.3%
8	Health & Social Services	157	157	2.6%	-15.6%
9	Finance & Insurance	129	129	2.2%	8.4%
10	Other Services	124	124	2.1%	-15.1%
11	Educational Services	89	89	1.5%	-6.3%
12	**Tourism**	**N/A**	**85**	**1.4%**	**0.1%**
13	Professional Services	81	81	1.4%	8.0%
14	Real Estate	45	45	0.8%	-11.8%
15	Management of Companies	34	34	0.6%	6.3%
16	Administrative & Waste Services	33	33	0.6%	-10.8%
17	Information	23	23	0.4%	9.5%
18	Mining	21	21	0.4%	5.0%
19	Utilities	19	19	0.3%	0.0%
20	Arts, Entertainment & Recreation	19	9	0.2%	11.8%
	Total County Employment	**6,000**	**6,000**	**100%**	**2.9%**

Source: Rockport Analytics, BLS, Moody's Analytics, IMPLAN
Note: Both industry and employee definitional discrepancies may exist between data sources. Data has not been reported for industries where these discrepancies are large.

Reported: As released by the Bureau of Labor Statistics and the Indiana Department of Labor
Tourism Extracted: Tourism's contribution to jobs in each industry is removed and placed in Carroll's Tourism Industry

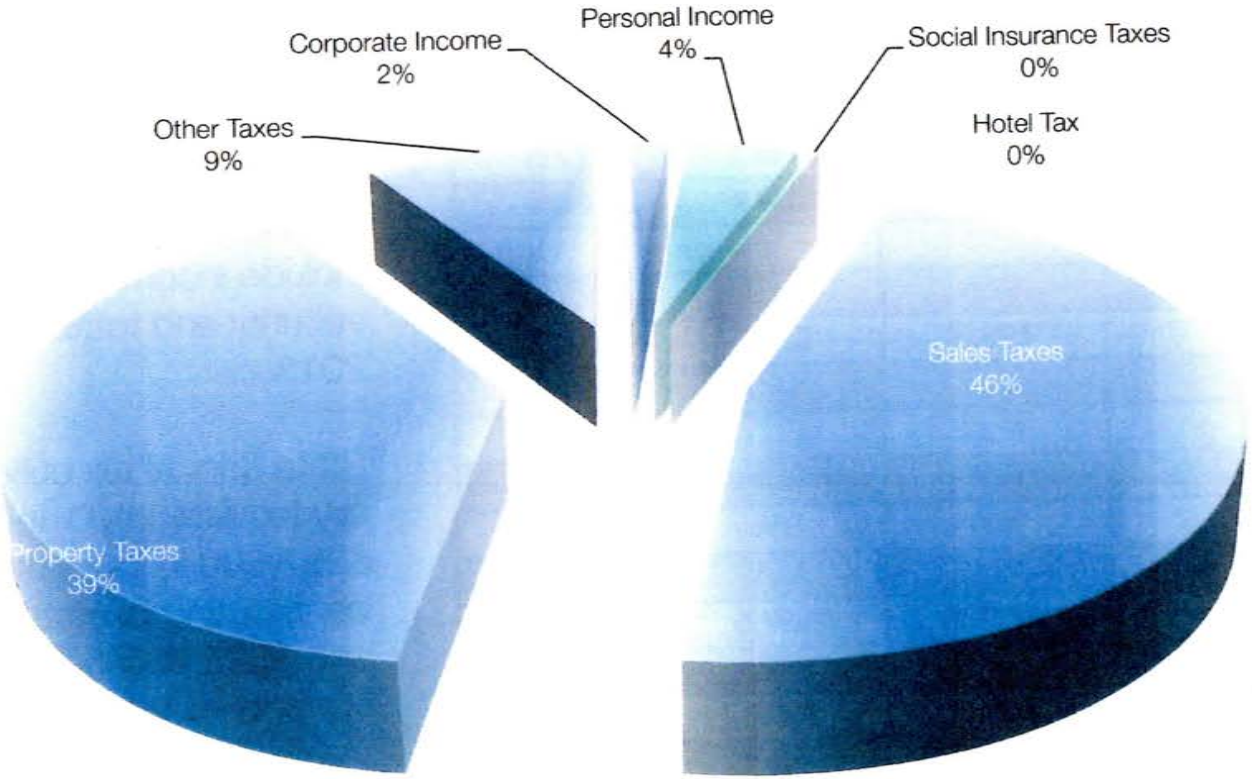
Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

ROCKPORT ANALYTICS

Tourism Tax Sources

2013 State & Local Tourism Tax Sources

Total = $643K



Source: Rockport Analytics, IMPLAN, Indiana Department of Revenue

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

ROCKPORT ANALYTICS

Tourism-Initiated Tax Revenue

2012 – 2013 Tourism Tax Revenue Collections

	2012	2013	% Change
	Thousands $		
Federal: US			
Corporate Income	$67.7	$68.4	1.1%
Personal Income	$74.0	$74.4	0.6%
Excise & Fees	$47.4	$48.0	1.3%
Social Security & Other Taxes	$148.1	$149.1	0.7%
Federal Total	**$337.1**	**$339.9**	**0.8%**
State & Local			
Corporate Income	$9.8	$9.9	1.1%
Personal Income	$28.3	$28.5	0.6%
Social Insurance Taxes	$1.5	$1.5	0.7%
Tourism Excises			
Hotel Tax	N/A	N/A	N/A
Food & Beverage	N/A	N/A	N/A
Rental Car Excise	N/A	N/A	N/A
Sales Taxes	$287.9	$297.5	3.3%
Property Taxes	$245.9	$249.1	1.3%
Other Taxes	$56.1	$56.8	1.2%
State & Local Tax Total	**$629.6**	**$643.4**	**2.2%**
Total County Tourism-Initiated Taxes	**$966.8**	**$983.3**	**1.7%**

Source: Rockport Analytics, IMPLAN, Indiana Department of Revenue

- Carroll County tourism generated over $983,000 in total taxes in 2013, up 1.7% from 2012.
- Federal tax collections resulting from tourism in Carroll County include income taxes and social security and totaled $339,900 in 2013.
- State & local tax collections totaled $643,400, including $297,500 in sales taxes contributing to state collections and $245,900 in property taxes supporting the local tax base.

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Carroll County Tourism in Perspective

How Does Tourism Benefit Carroll County?

By Promoting a Healthy Job Market

Approximately 1.4% of all jobs in Carroll County are supported by tourism to the region. In addition to the hotel & restaurant industry, tourism directly supports jobs in health & social services, Professional Services and Finance.

By Contributing to the Health of the Public Education System

Revenue collected from tourism in Carroll County is sufficient to support 69 Indiana public school students.

By Playing a Significant Role in the County's Industrial Make up

Tourism is the 12th largest industry (11th not including Government) in Carroll County (by jobs).

By Providing Tax Revenue to Support Federal, State & Local Government

Carroll County tourism activity generated nearly $10,000 in Indiana corporate taxes, $28,000 in Indiana personal income tax, and $249,000 in local property taxes during 2013.

By Helping to Relieve the Tax Burden of Carroll County Households

If Carroll County tourism did not exist, each of the 7,900 households in the county would have to pay an additional $81 per year in taxes to maintain current state & local tax levels.

By Capturing and Retaining the Expenditures Made By Visitors

Of every dollar spent by visitors in Carroll County, 52¢ in economic impact is returned to the local area.

Copyright © 2014 Rockport Analytics, LLC. All Rights Reserved.

Rockport Analytics
1610 Herron Lane
West Chester, PA 19380

web: rockportanalytics.com
email: info@rockportanalytics.com
phone: (866) 481-9877

ROCKPORT ANALYTICS