

January 2024



2022 ECONOMIC CONTRIBUTION OF TOURISM IN CLARK-FLOYD REGION

Key Metrics and Economic Impact Assessment

Key Inputs & Data Tools



Indiana Destination Development Corporation

2022 Tourism Economic Impact Study
Tourism Support/Promo Spending
<https://www.in.gov/iddc/>



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

STR/CoStar



IMPLAN Model

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

Study Overview & Methodology

Study Overview

A research cooperative was formed in 2016 by the Indiana Office of Tourism Development (now part of the Indiana Destination Development Corporation) 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 2022 Economic Impact Study of Tourism in Clark-Floyd Region 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, Clark-Floyd Region-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 2022 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 (<https://www.trade.gov/national-travel-and-tourism-office>). 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.

Study Overview & Methodology

Methodology (continued)

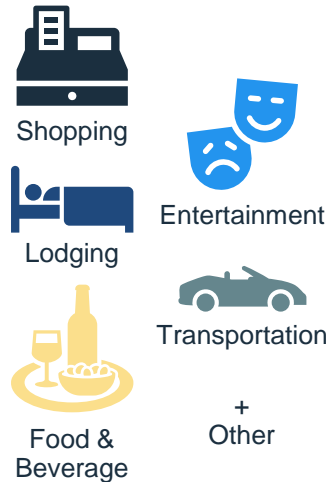
An economic model of Indiana is also critical to estimating how traveler spending resounds through the state and county-level economies. Rockport Analytics has chosen the IMPLAN model for Clark-Floyd Region (www.implan.com), a non-proprietary economic model that is the defacto standard for most economic 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 the local area. The IMPLAN model accounts for these import “leakages” to suppliers located outside of the county. Many economic impact studies do not account for these leakages and, therefore, overestimate the actual impact of an industry. Generally, the more diversified a county’s economy, the lower are import leakages and the higher the retention and multiplier of visitor spending.

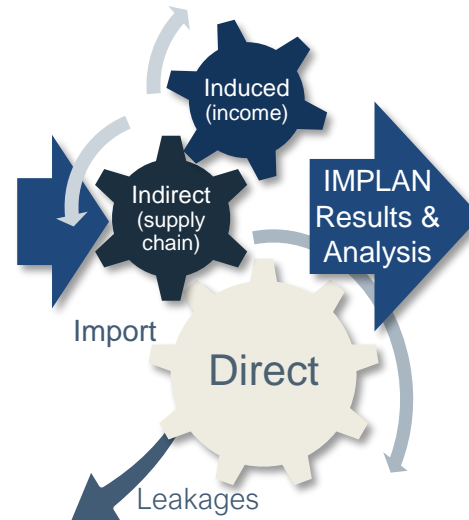
Tourism-Supported Activity



Visitor Spending



IMPLAN Model

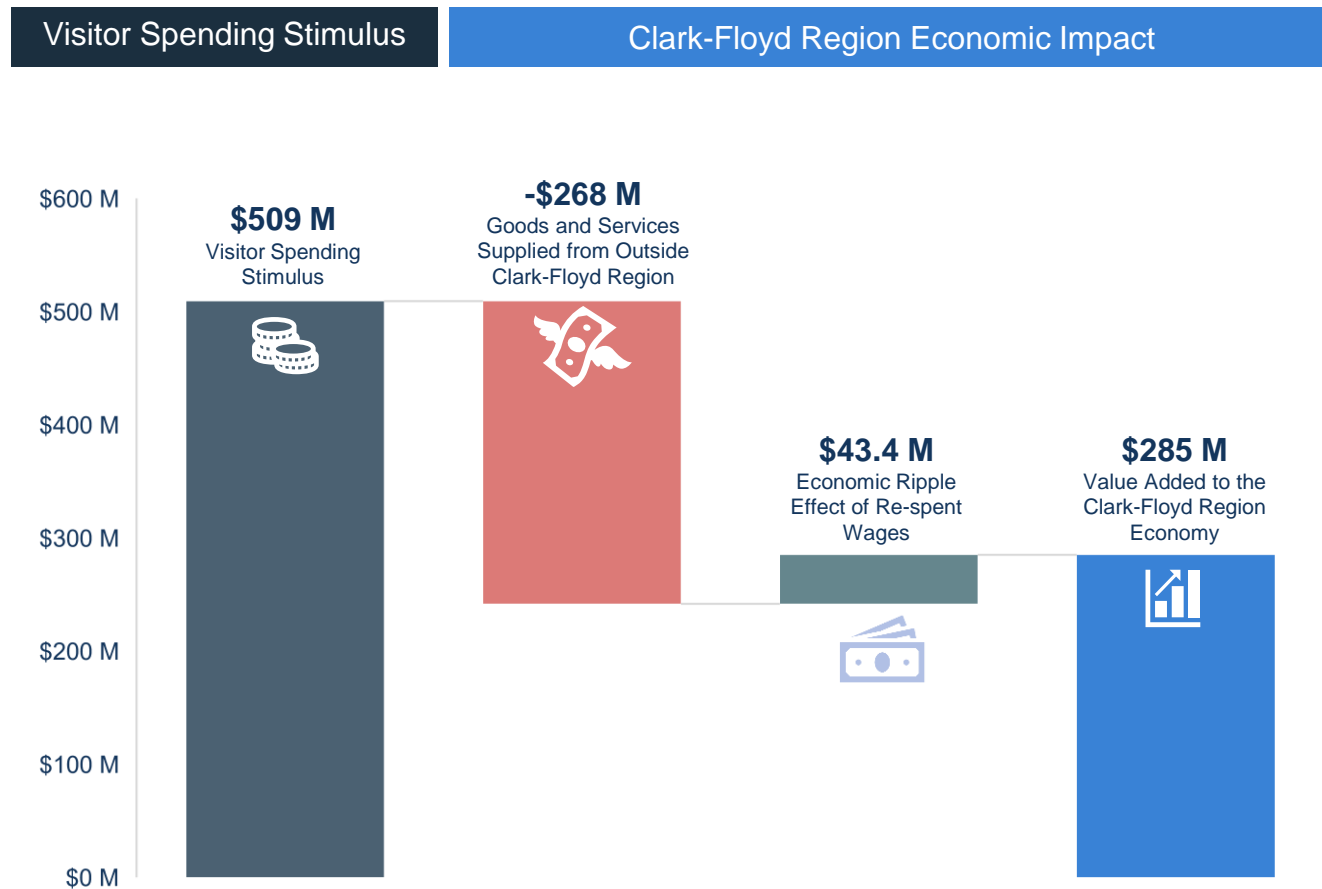


Total Economic Impact

Value-Added (GDP)	Wages & Comp
Jobs	Taxes

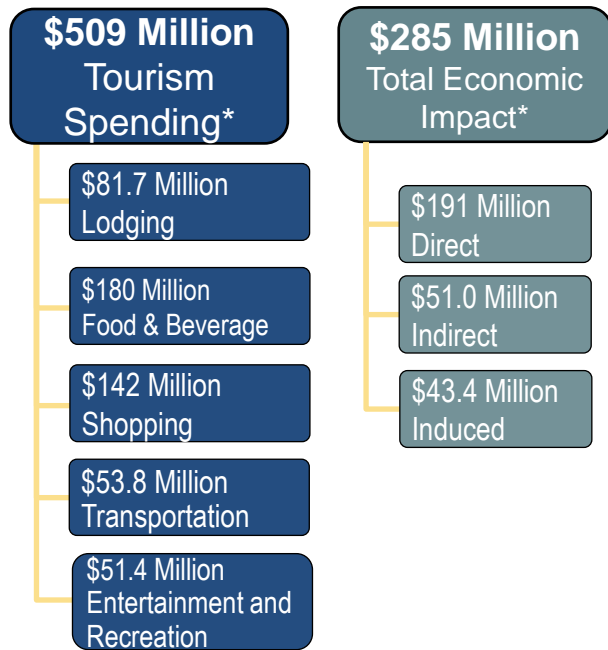
Clark-Floyd Region Tourism Generated \$285 Million in GDP in 2022

Visitors to Clark-Floyd Region spent \$509 million on various goods and services in the state. This spending stimulus generated \$285 million in net new value added to the Clark-Floyd Region economy.



2022 Clark-Floyd Region Tourism Highlights

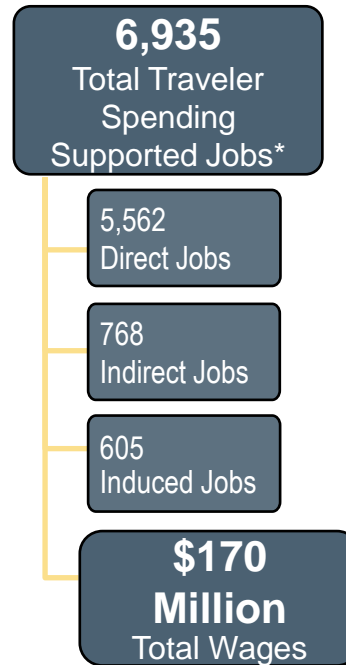
Tourism and Impact



Tourism spending is considered an export from the local area since visitors bring monies from outside and spend locally. Unlike other local industries, Tourism cannot be "offshored".

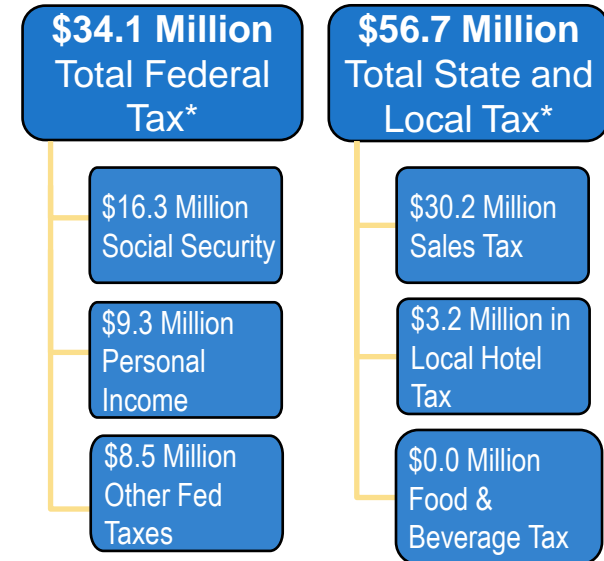
For every dollar spent by Clark-Floyd Region visitors in 2022, **56 cents** 'stayed' local and contributed directly to the gross county product of Clark-Floyd Region. This includes impact on the **direct** (tourism-oriented), **indirect** (supply chain) and **induced** (income) industries. The remaining **55 cents** of every dollar is 'leaked' to the supply chain outside of Clark-Floyd Region.

Jobs and Wages



Every **\$73,413** spent by people visiting Clark-Floyd Region in 2022 supported a job, resulting in an average of **\$24,569** in gross wages. This includes jobs in the industries directly supporting the visitor such as the arts and retail trade but also in supply chain sectors like transportation. The income of direct and indirect workers also goes to support industries like arts, retail trade, and transportation.

Tax Revenue Generated



For every **\$1.00** spent by Clark-Floyd Region visitors in 2022, **7 cents** goes to federal taxes and **11 cents** goes to state and local taxes. Federal tax collections include corporate & personal income taxes, excise taxes and social security collections. State and local tourism-derived taxes include sales taxes, property taxes and lodging taxes.

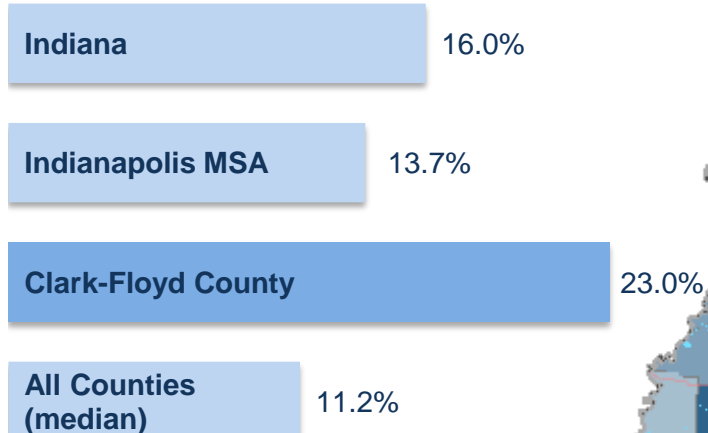
**totals may vary due to rounding methods*

Clark-Floyd Region Tourism: In Comparison

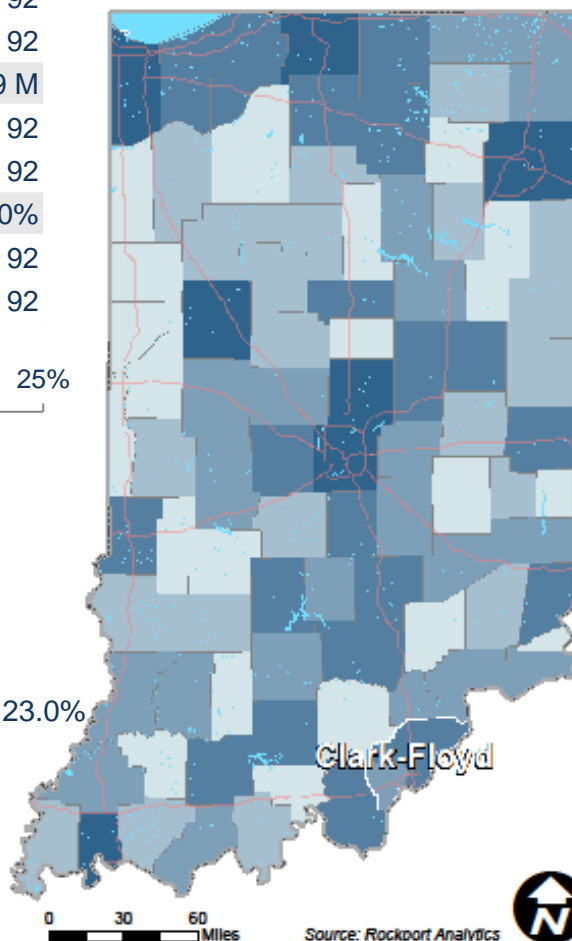
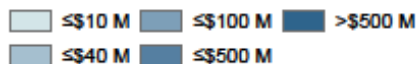
Clark-Floyd County 2022 Tourism Report Card

Tourism Sales Per Capita	\$2,548.51
Sales Per Capita Ranking (Clark)	#9 of 92
Sales Per Capita Ranking (Floyd)	#47 of 92
2022 Spending by Visitors (Millions)	\$509 M
Tourism Spend Ranking (Clark)	#9 of 92
Tourism Spend Ranking (Floyd)	#28 of 92
2022 Tourism Spending Growth	23.0%
Tourism Growth Ranking (Clark)	#11 of 92
Tourism Growth Ranking (Floyd)	#12 of 92

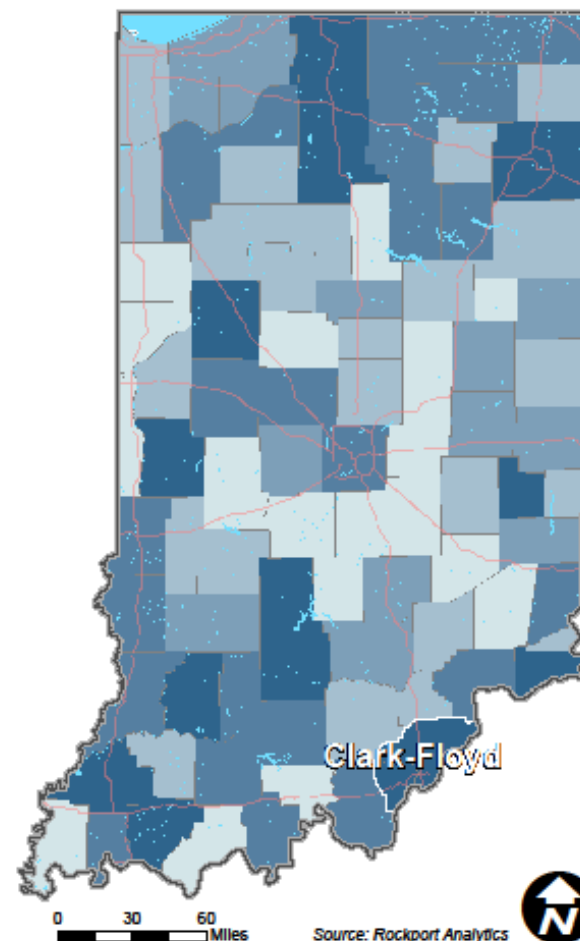
0% 5% 10% 15% 20% 25%



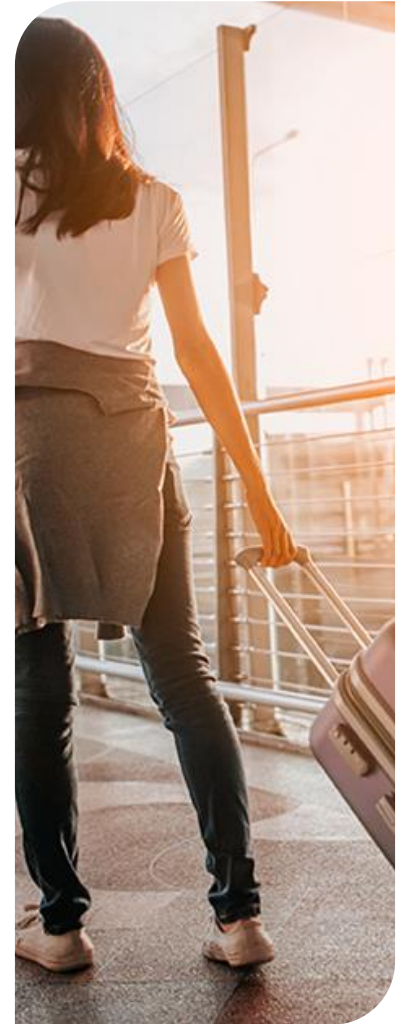
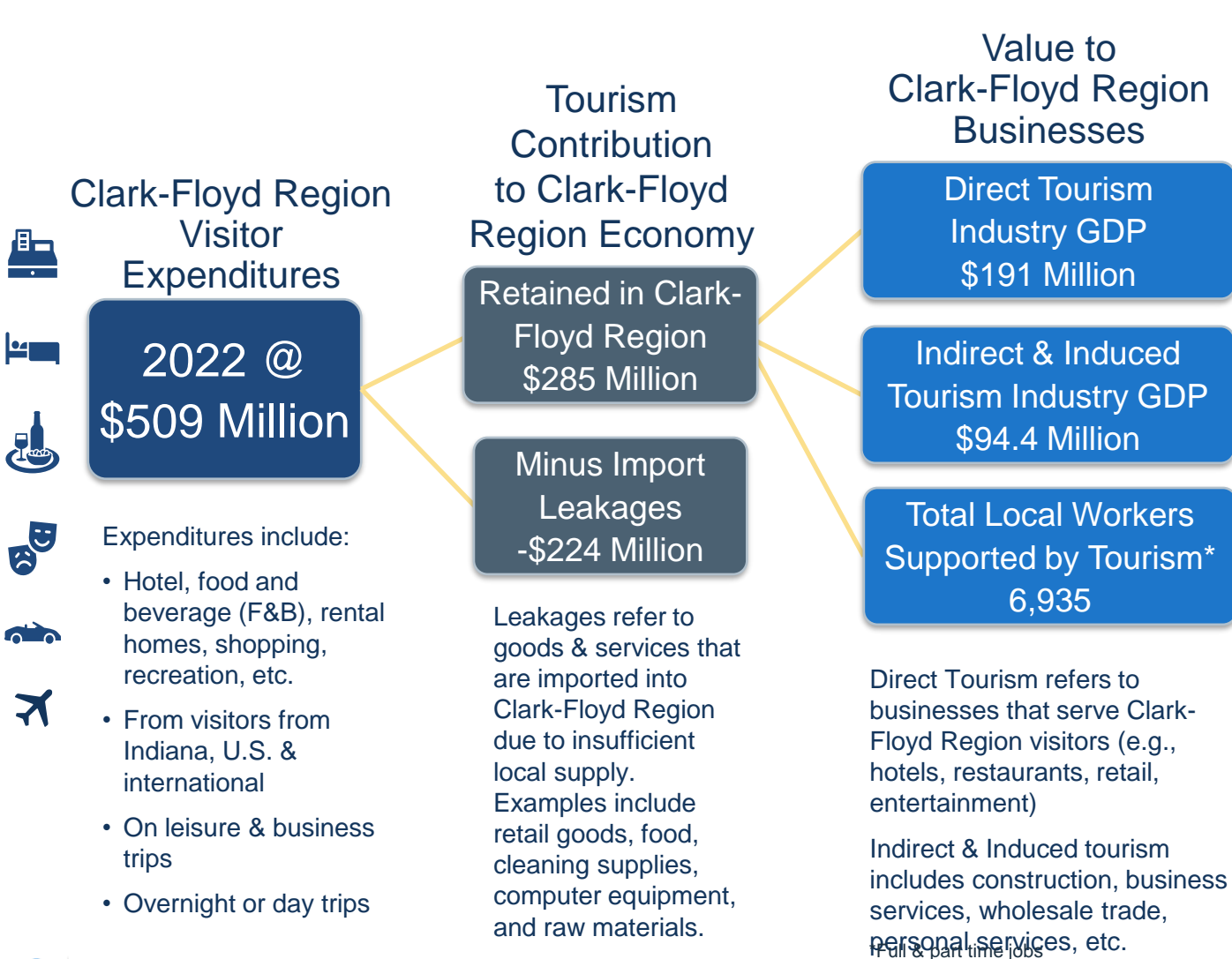
Total Spending by County, 2022



Spending Growth by County, 2022



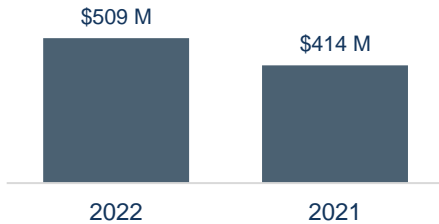
The Progression of Tourism Spending in Clark-Floyd Region's Economy



Visitor Spending by Category

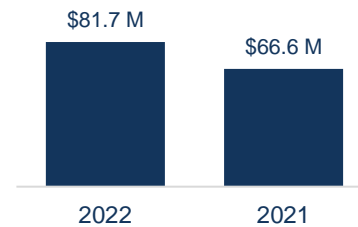
Total Spending

▲ 23%



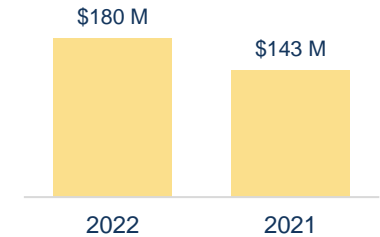
Lodging

▲ 23%

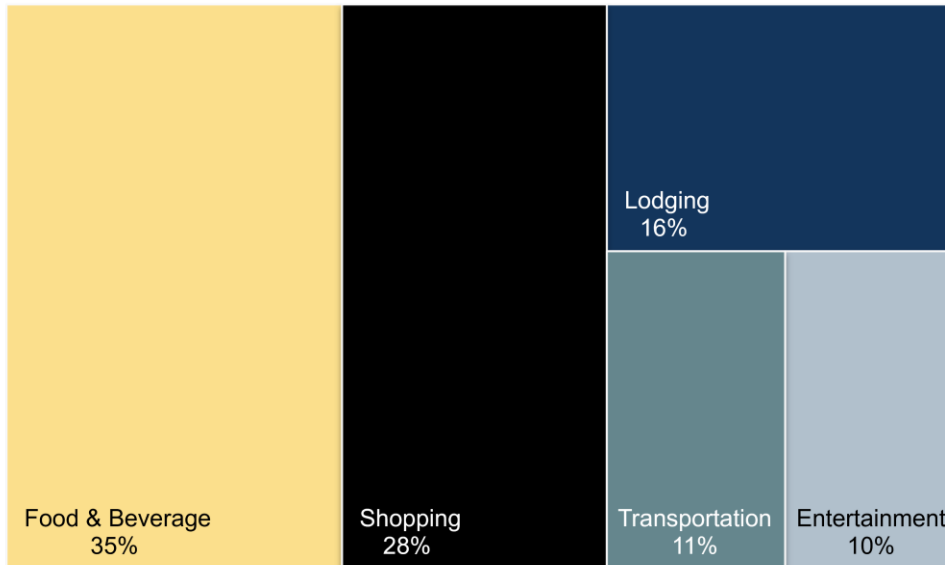


Food & Beverage

▲ 26%

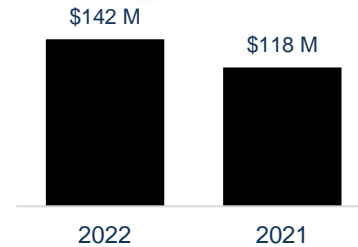


Distribution of Spending



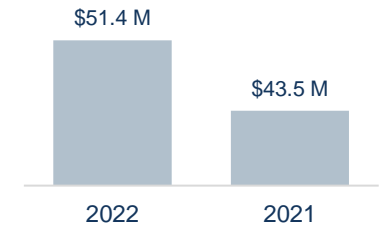
Shopping

▲ 20%



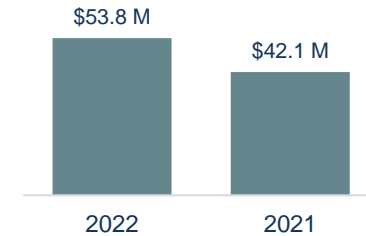
Entertainment

▲ 18%



Transportation

▲ 28%



Source: Longwoods International, NTTO, Reach Market Planning, STR, BTS, AirDNA, Rockport Analytics

Tourism's Bottom Line in Clark-Floyd Region

2022 Economic Contribution Summary (Compared to 2021)

2022 Metric	Direct	Indirect	Induced	Total
Total Spending				\$509,139,327
<i>2022 Y/Y Growth</i>				23.0%
Economic Impact (GDP)	\$190,583,253	\$51,012,632	\$43,401,420	\$284,997,306
<i>2022 Y/Y Growth</i>	22.9%	22.9%	23.3%	23.0%
Wages	\$118,365,512	\$29,674,611	\$22,355,597	\$170,395,720
<i>2022 Y/Y Growth</i>	23.5%	22.8%	23.3%	23.4%
Jobs	5,562	768	605	6,935
<i>2022 Y/Y Growth</i>	21.4%	20.6%	21.3%	21.3%
Tax Receipts				\$90,808,316
<i>2022 Y/Y Growth</i>				23.2%

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

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.

Tourism Supports Many Local Industries

Clark-Floyd Region Tourism: 2022 Economic Impact (Value Added/GDP in thousands)

Industry (NAICS)*	Direct	Indirect	Induced	Total
Food Services & Drinking Places	\$83,711	\$2,405	\$2,593	\$88,709
Retail Trade	\$31,992	\$858	\$6,652	\$39,501
Accommodations	\$35,172	\$40	\$18	\$35,231
Arts, Entertainment & Rec	\$24,516	\$1,100	\$727	\$26,343
Real Estate & Rental	\$1,845	\$8,254	\$11,655	\$21,754
Transportation & Warehousing	\$13,347	\$1,812	\$749	\$15,908
Professional Services	\$0	\$8,671	\$1,712	\$10,383
Finance & Insurance	\$0	\$3,975	\$3,714	\$7,689
Administrative & Waste Services	\$0	\$6,342	\$1,225	\$7,567
Health & Social Services	\$0	\$9	\$7,061	\$7,070
Utilities	\$0	\$3,446	\$1,026	\$4,472
Other Services	\$0	\$2,277	\$2,088	\$4,365
Government	\$0	\$2,814	\$611	\$3,425
Wholesale Trade	\$0	\$1,418	\$1,557	\$2,975
Manufacturing	\$0	\$2,524	\$262	\$2,786
Construction	\$0	\$2,133	\$551	\$2,685
Information	\$0	\$1,647	\$669	\$2,317
Management of Companies	\$0	\$1,206	\$79	\$1,285
Educational Services	\$0	\$45	\$436	\$481
Mining	\$0	\$24	\$7	\$32
Ag, Forestry, Fish & Hunting	\$0	\$12	\$9	\$20
Total - 2022	\$190,583	\$51,013	\$43,401	\$284,997
Total - 2021	\$155,036	\$41,501	\$35,187	\$231,725
% change	22.9%	22.9%	23.3%	23.0%

*North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov

Tourism Supports Clark-Floyd Region Jobs

Clark-Floyd Region Tourism: 2022 Economic Impact (Employment)

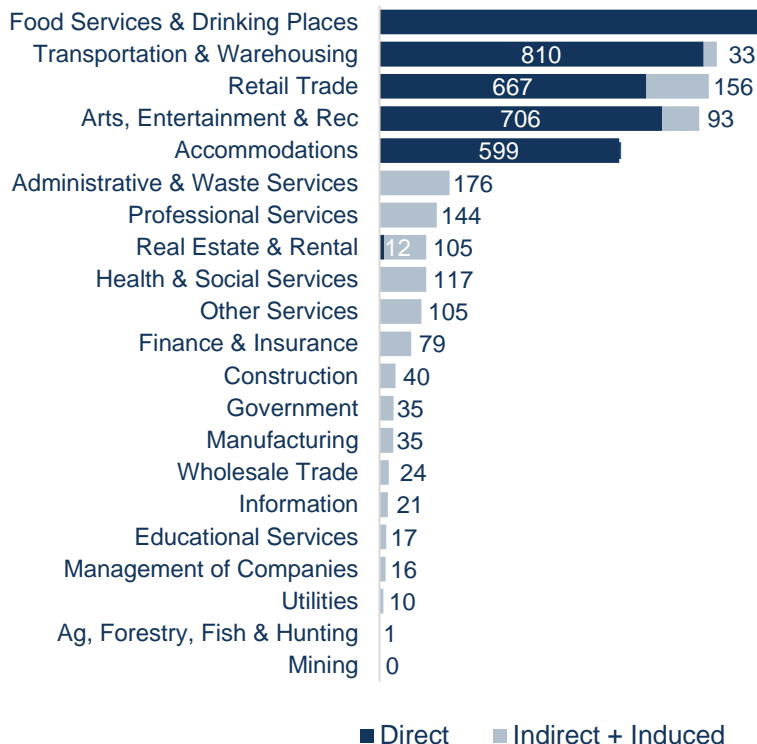
Industry (NAICS)*	Direct	Indirect	Induced	Total
Food Services & Drinking Places	2,769	80	86	2,934
Transportation & Warehousing	810	24	9	843
Retail Trade	667	18	138	823
Arts, Entertainment & Rec	706	68	25	799
Accommodations	599	1	0	600
Administrative & Waste Services	0	148	28	176
Professional Services	0	119	24	144
Real Estate & Rental	12	72	33	117
Health & Social Services	0	0	117	117
Other Services	0	53	52	105
Finance & Insurance	0	40	39	79
Construction	0	34	6	40
Government	0	29	7	35
Manufacturing	0	32	3	35
Wholesale Trade	0	11	13	24
Information	0	16	5	21
Educational Services	0	1	16	17
Management of Companies	0	15	1	16
Utilities	0	7	3	10
Ag, Forestry, Fish & Hunting	0	1	0	1
Mining	0	0	0	0
Total - 2022	5,562	768	605	6,935
Total - 2021	4,580	637	499	5,715
% change	21.4%	20.6%	21.3%	21.3%

*North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov

Tourism Supported Employment – Direct, Indirect, and Induced

Direct employment refers to full- and part-time workers who are employed in the tourism industry by companies that directly serve visitors. Indirect employees work for companies that supply goods and services to direct companies. Induced employment refers to workers supported by the re-spent wages of direct and supply chain employees. In industries that are largely driven by tourism (food services, entertainment, accommodations, etc.), most employees are direct employees.

Clark-Floyd Region Tourism: 2022 Economic Impact (Employment)
(employment impacts represent full- and part-time jobs rounded to the nearest whole number)



Total Tourism Employment			
	2022	2021	% change*
Direct	5,562	4,580	21.4%
Indirect	768	637	20.6%
Induced	605	499	21.3%
Total	6,935	5,715	21.3%

*totals may vary due to rounding methods

Tourism Industry Ranking in Clark-Floyd Region

2022 Tourism in Clark-Floyd Region: Ranking of Major Industries By Total Employment

Rank	Industry	2022 Reported*	2022 Tourism Extracted**	% of Total	2022 % Growth
1	Manufacturing	14,138	14,138	15.3%	3.2%
2	Health & Social Services	13,383	13,383	14.5%	2.0%
3	Government	10,294	10,294	11.2%	-0.2%
4	Retail trade	10,108	9,441	10.2%	0.6%
5	Transportation & Warehousing	9,328	8,518	9.2%	5.4%
6	Accommodation & Food Services	9,398	6,031	6.5%	10.0%
7	Tourism	-	5,562	6.0%	21.4%
8	Administrative & Waste Services	5,227	5,227	5.7%	5.8%
9	Construction	4,643	4,643	5.0%	6.1%
10	Finance & Insurance	3,182	3,182	3.5%	-0.2%
11	Other Services	3,178	3,178	3.4%	6.3%
12	Wholesale Trade	3,089	3,089	3.3%	8.4%
13	Professional Services	3,025	3,025	3.3%	6.7%
14	Real Estate	835	823	0.9%	2.2%
15	Educational Services	638	638	0.7%	10.2%
16	Management of Companies	404	404	0.4%	4.7%
17	Information	341	341	0.4%	2.1%
18	Utilities	231	231	0.3%	-2.9%
19	Mining	43	43	0.0%	19.4%
20	Arts, Entertainment & Recreation	745	39	0.0%	5.1%
Total County Employment		92,230	92,230	100.0%	3.8%

*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 Clark-Floyd Region's Tourism Industry

Tourism Increases Local Wages

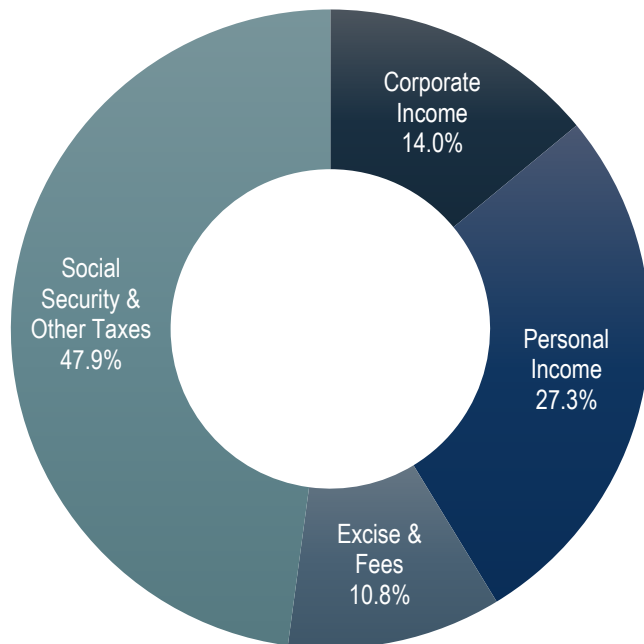
Clark-Floyd Region Tourism: 2022 Labor Income (in thousands)

Industry (NAICS)*	Direct	Indirect	Induced	Total
Food services & drinking places	\$57,470	\$1,651	\$1,780	\$60,901
Retail trade	\$18,580	\$560	\$4,335	\$23,475
Accommodations	\$21,249	\$24	\$11	\$21,284
Transportation & Warehousing	\$11,990	\$1,375	\$533	\$13,898
Arts- entertainment & recreation	\$8,128	\$1,035	\$262	\$9,424
Professional- scientific & tech services	\$0	\$5,445	\$1,102	\$6,548
Health & social services	\$0	\$6	\$6,429	\$6,435
Administrative & waste services	\$0	\$5,086	\$973	\$6,059
Other services	\$0	\$2,139	\$1,990	\$4,129
Finance & insurance	\$0	\$1,883	\$1,693	\$3,576
Government & non NAICs	\$0	\$2,466	\$473	\$2,939
Construction	\$0	\$1,959	\$380	\$2,340
Real estate & rental	\$949	\$835	\$436	\$2,220
Manufacturing	\$0	\$1,797	\$179	\$1,976
Wholesale Trade	\$0	\$761	\$837	\$1,598
Utilities	\$0	\$901	\$291	\$1,192
Management of companies	\$0	\$957	\$63	\$1,020
Information	\$0	\$748	\$215	\$963
Educational services	\$0	\$30	\$365	\$395
Ag, Forestry, Fish & Hunting	\$0	\$7	\$6	\$13
Mining	\$0	\$8	\$3	\$11
Total - 2022	\$118,366	\$29,675	\$22,356	\$170,396
Total - 2021	\$95,850	\$24,165	\$18,124	\$138,140
% change	23.5%	22.8%	23.3%	23.4%

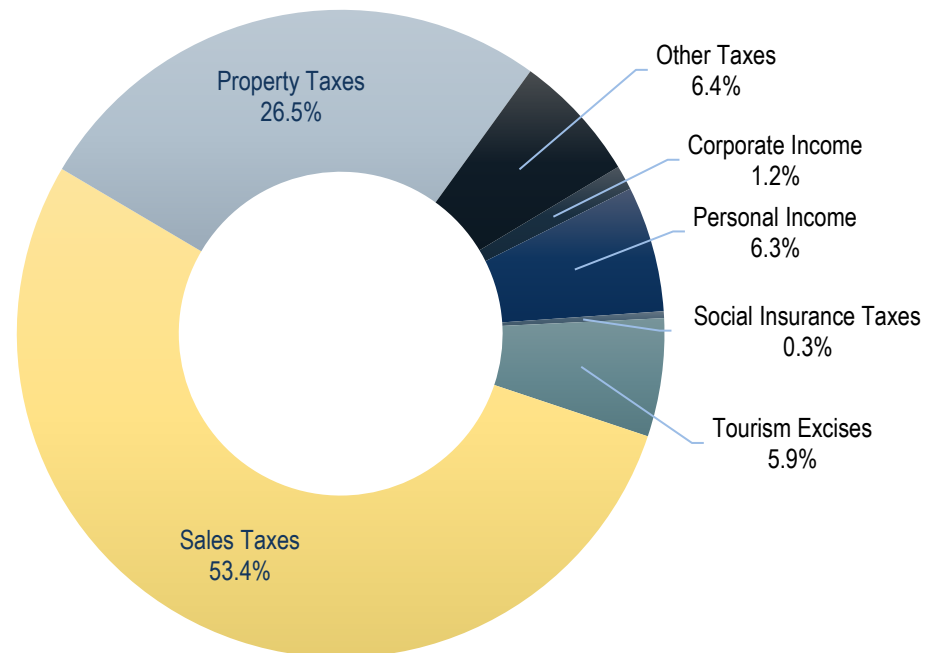
*North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov

Clark-Floyd Region Visitors Support Many Types of Taxes

Federal Taxes
2022 Tax Total: \$34.1 Million



State & Local Taxes
2022 Tax Total: \$56.7 Million



2022 Total Tourism-Initiated Taxes: **\$90.8 Million**

Tourism Generated \$90.8 Million in Taxes

Clark-Floyd Region visitors supported \$90.8 million in total taxes in 2022, up 23.2% from 2021. Federal tax collections resulting from tourism in Clark-Floyd Region include income taxes and social security and totaled \$34.1 million in 2022. State & local tax collections totaled \$56.7 million, including \$30.2 million in sales taxes and \$15.0 million in local property taxes.

	2021	2022	% Change
Federal: US			
Corporate Income	\$3,900,299	\$4,780,772	22.6%
Personal Income	\$7,545,441	\$9,308,050	23.4%
Excise & Fees	\$3,026,896	\$3,700,029	22.2%
Social Security & Other Taxes	\$13,255,290	\$16,338,783	23.3%
Federal Total	\$27,727,926	\$34,127,634	23.1%
State & Local			
Corporate Income	\$564,460	\$691,885	22.6%
Personal Income	\$2,887,771	\$3,562,353	23.4%
Social Insurance Taxes	\$157,840	\$194,457	23.2%
Tourism Excises			
Hotel Tax	\$2,355,243	\$3,213,602	36.4%
Food & Beverage	\$0	\$0	-
Rental Car Excise	\$101,383	\$129,398	27.6%
Sales Taxes	\$24,684,302	\$30,242,826	22.5%
Property Taxes	\$12,274,250	\$15,004,499	22.2%
Other Taxes	\$2,978,515	\$3,641,661	22.3%
State & Local Tax Total	\$46,003,764	\$56,680,682	23.2%
Total County Tourism-Initiated Taxes	\$73,731,690	\$90,808,316	23.2%

Sources: IMPLAN, Rockport Analytics

Putting the Benefits of Clark-Floyd Region Tourism in Perspective

Promoting a Healthy Job Market



Approximately 6.0% of all people working in Clark-Floyd Region are supported by visitors to the county. Clark-Floyd Region tourism supported 6,935 jobs. Of those, 5,562 were directly employed in a tourism-related job. Tourism is the 7th largest industry (6th not including Government) in Clark-Floyd Region (by jobs).

Benefiting County Businesses



Visitors generated top-line sales totaling \$285 million benefiting a broad array of local businesses. Businesses that directly served visitors saw value-added of \$191 million in 2022, up 22.9% from 2021. In 2022, tourism supply chain businesses received value-added of more than \$51.0 million.

Contributing to Public Education & Other Government Services



State & local (S&L) tax revenue collected from tourism in Clark-Floyd Region is sufficient to fund 4,446 Indiana public school students. S&L tax collections were enough to fund roughly 1,057 Indiana public school teachers.

Capturing and Retaining Dollars Spent by Visitors



Of every dollar spent by visitors to Clark-Floyd Region, 56¢ in economic impact is returned to the local area. Of every dollar spent by visitors to Clark-Floyd Region, 33¢ went toward paying the salaries of 6,935 area citizens.

Helping to Relieve the Tax Burden of County Households



About 11 cents of each visitor dollar went towards the payment of state and local taxes (S&L). If tourism did not exist, each of the 78,755 households in Clark-Floyd Region would have to pay an additional \$720 per year in taxes to maintain current levels of state & local government services.

Sources: NEA's 2022 State Rankings, Moody's Analytics, IMPLAN, Indiana Department of Revenue, U.S. Census, Rockport Analytics

About Rockport Analytics

Rockport Analytics is a research and analytical consulting firm providing high quality quantitative and qualitative research solutions to business, government, and non-profit organization clients across the globe. We provide fast, nimble service in a completely transparent environment.

Capabilities include:

- Market Analysis and Forecasting
- Economic Impact Assessment, Tourism Satellite Accounting, and Economic Development
- Market Modeling and Decision Support Tools
- Project Feasibility Assessment
- Primary and Secondary Research Synthesis
- Stakeholder Surveys – internal & external



Rockport Analytics, LLC

Annapolis, MD
West Chester, PA

rockportanalytics.com
info@rockportanalytics.com
(866) 481-9877