

The Economic Impact of Travel

Corpus Christi, TX

2022

March 2023

PREPARED FOR
Visit Corpus Christi



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The Economic Impact of Travel in Corpus Christi, TX

2022

Visit Corpus Christi

3/29/2023

PRIMARY RESEARCH CONDUCTED BY

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Photo: Visit Corpus Christi

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Corpus Christi

2022

Corpus Christi / Summary

Travel Impacts 2022

The Corpus Christi travel economy reached new highs across most categories in 2022. Continued demand for overnight accommodations and increased price inflation led to gains in visitor spending. This increased spending and a tight labor market contributed to an increase in employee earnings, with both having a cumulative effect on increased tax revenue. Employment has recovered to 90% of peak travel employment reached in 2019.

- Travel spending in Corpus Christi increased 8.0% from \$1.33 billion in 2021 to \$1.44 billion in 2022.
- Direct travel-generated employment experienced a gain of approximately 600 jobs, a 4.9% increase. Direct travel-generated employment totals 12,750 jobs in 2022.
- Direct travel-generated earnings increased 9.3% from \$361.3 million to \$394.8 million in 2022.
- Tax receipts generated by travel spending are up 4.2% compared to 2021. Approximately 12% of sales taxes generated in the city of Corpus Christi come from travel activity*.

Corpus Christi's travel industry **grew 8.0% in 2022**, this gain is primarily driven by increased prices on travel goods and services.

Note: These estimates for Corpus Christi are subject to revision as additional data becomes available. Secondary impacts are not included in this study.

*Based on an analysis of sales tax collections from the Texas Comptroller of Public Accounts



Photo: Visit Corpus Christi

Corpus Christi / Impacts, Summary

Direct Travel Impacts 2017-2022

	2017	2018	2019	2020	2021	2022	Avg. Annual % Chg.	
							2021-22	2017-22
Spending (\$Millions)								
Total (Current \$)	1182.6	1372.5	1,324.9	1,007.4	1,333.6	1,440.3	▲ 8.0%	▲ 4.0%
Other	55.3	59.3	59.9	21.3	38.0	50.1	▲ 31.7%	▼ -2.0%
Visitor	1127.3	1313.3	1,265.0	986.1	1,295.5	1,390.2	▲ 7.3%	▲ 4.3%
Non-transportation	955.9	1128.0	1,081.5	872.8	1,121.9	1,170.5	▲ 4.3%	▲ 4.1%
Transportation	171.4	185.3	183.4	113.3	173.6	219.7	▲ 26.5%	▲ 5.1%
Earnings (\$Millions)								
Earnings (Current \$)	344.9	365.0	385.8	296.2	361.3	394.8	▲ 9.3%	▲ 2.7%
Employment (Jobs)								
Employment	13,410	13,790	14,240	10,500	12,160	12,750	▲ 4.9%	▼ -1.0%
Tax Revenue (\$Millions)								
Total (Current \$)	108.4	124.3	122.2	97.1	127.3	132.7	▲ 4.2%	▲ 4.1%
Local Tax Receipts	41.6	46.8	46.7	36.2	48.8	49.9	▲ 2.2%	▲ 3.7%
Visitor	24.8	28.8	27.8	21.8	30.1	31.2	▲ 3.4%	▲ 4.7%
Business or Employee	16.9	18.0	18.8	14.4	18.7	18.7	▲ 0.2%	▲ 2.1%
State Tax Receipts	66.8	77.5	75.6	60.9	78.6	82.8	▲ 5.5%	▲ 4.4%
Visitor	55.5	64.9	62.3	50.6	64.5	67.6	▲ 4.8%	▲ 4.0%
Business or Employee	11.2	12.7	13.3	10.3	14.1	15.3	▲ 8.4%	▲ 6.4%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

Other spending includes travel arrangement, and resident air activity, transportation spend includes gasoline, visitor air travel, and other ground transportation.

Non-transportation includes accommodations, food service, food stores, recreation, and retail activity.



Corpus Christi / Trip Purpose

Business/Leisure Direct Travel Spend 2022*

In this section we consider visitor spending in terms of primary purpose of their trip. While individual spending patterns will vary, business travelers spend most of their money on accommodations and food service. In contrast, leisure travelers distribute their spending more evenly across the different commodities.

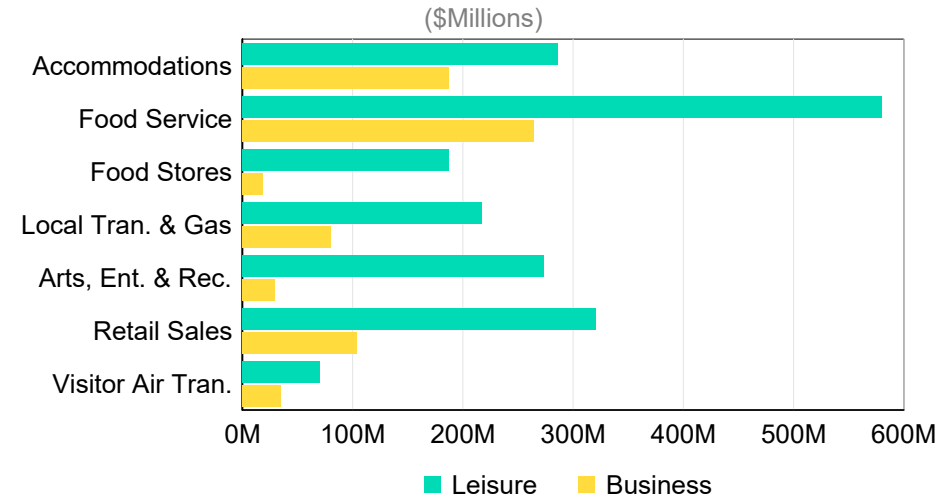
Approximately 23% of visitor volume and 27% of visitor spending in 2022 was from business travel.

	Direct Spend	Leisure	Business
Accommodations	\$268.4	\$162.2	\$106.2
Food Service	\$433.7	\$297.8	\$135.9
Food Stores	\$105.3	\$95.7	\$9.6
Local Tran. & Gas	\$171.0	\$124.8	\$46.2
Arts, Ent. & Rec.	\$149.3	\$134.8	\$14.5
Retail Sales	\$213.8	\$161.5	\$52.3
Visitor Air Tran.	\$48.7	\$32.4	\$16.4
Direct Spending	\$1,390.2	\$1,009.2	\$381.0
Visitor Volume	4.4	3.4	1.0

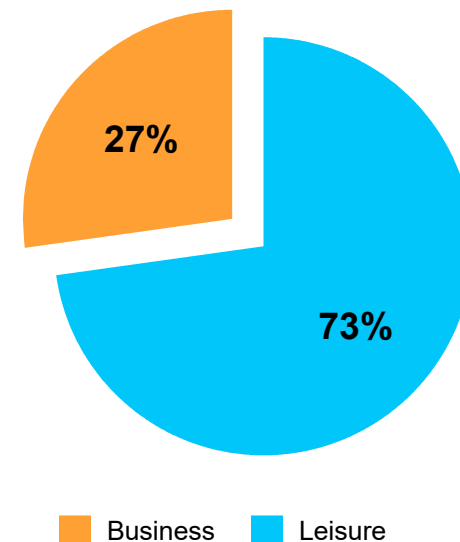
Sources: Dean Runyan Associates, Omnitrak Group, DKShifflet, Visit Corpus Christi.

*The factors used to determine the distribution of impacts between business and leisure travel are based on historical data of group hotel bookings for years 2021 to 2022, as provided to DRA by Visit Corpus Christi as well as survey data for years 2006-2018 from Omnitrak, and visitor profile data for years 2018-2020 from DKShifflet provided to DRA by Travel Texas. In future years additional survey data will be available that will more accurately describe any shifts in business travel.

Spending by Commodity by Trip Purpose, 2022



Spending by Trip Purpose, 2022



Corpus Christi / Regional Impacts

City of Corpus Christi Regional Comparison

To further understand the importance and size of the travel economy in the City of Corpus Christi, our economic impact estimates can be compared to DRA's travel impact estimates for the larger metropolitan area and to the Bureau of Economic Analysis estimate on employment within both Nueces County and the Corpus Christi MSA.

The table to the right highlights the size of the travel industry in the City of Corpus Christi, compared to the larger metropolitan statistical area (MSA). Approximately 80% of the direct travel spending for the MSA occurs within the city limits of Corpus Christi. The city brings in about 70% of the jobs and 67% of the local tax revenue associated with travel activity.

The second chart to the right presents an analysis of the travel employment in the City of Corpus Christi as a percent share of all employment in Nueces County and the Corpus Christi MSA. This is useful to understand the contribution of travel activity to the overall economy and can highlight any dependency the region may have on travel.

Prior to 2020, travel employment in the City of Corpus Christi was 6.4% of all employment for Nueces County and 5.7% of all employment for the Corpus Christi MSA. The COVID-19 Pandemic resulted in a large reduction in travel employment during 2020, but many jobs returned in 2021. By 2022, Corpus Christi's travel employment had returned to approximately 5.8% of Nueces County and 5.1% of all employment for the Corpus Christi MSA.

Direct Travel Impacts, 2022

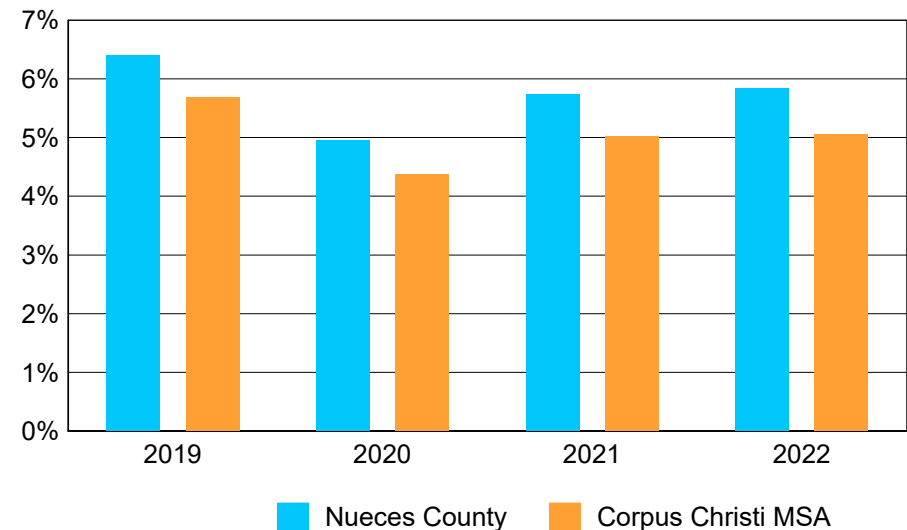
	Corpus Christi MSA	City of Corpus Christi	Percent of MSA
Spending (\$M)	\$1,790.9	\$1,440.3	80%
Earnings (\$M)	\$566.8	\$394.8	70%
Employment (Jobs)	18,170	12,750	70%
State Tax Revenue (\$M)	\$106.1	\$82.8	78%
Local Tax Revenue (\$M)	\$74.4	\$49.9	67%
Visitor Volume* (Thousands)	7,530	4,650	62%

Sources: Dean Runyan Associates

*Visitor volume calculated as person trips. Economic activity is a more reliable gauge of visitor activity than visitor volume.

Travel Employment as a Percent of Total Employment

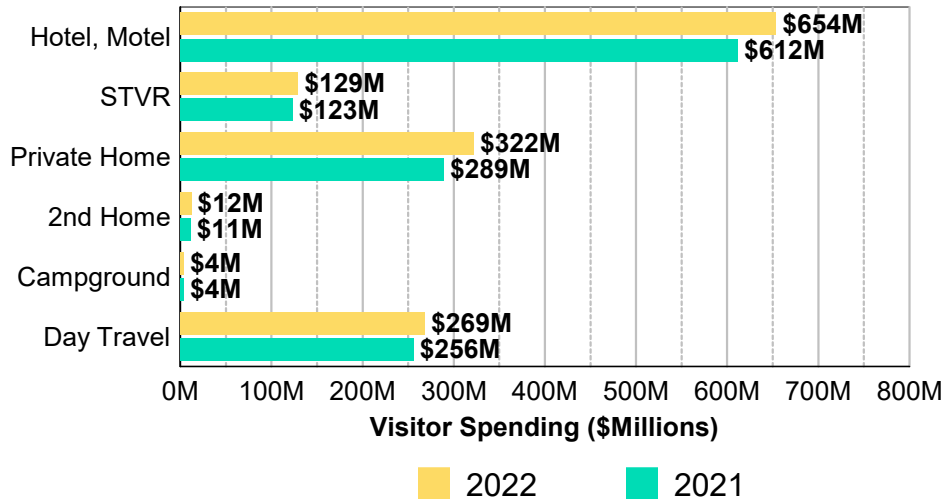
City of Corpus Christi



Sources: Dean Runyan Associates, Bureau of Labor Statistics, Bureau of Economic Analysis

Corpus Christi / Spending

Visitor Spending by Accommodation Type

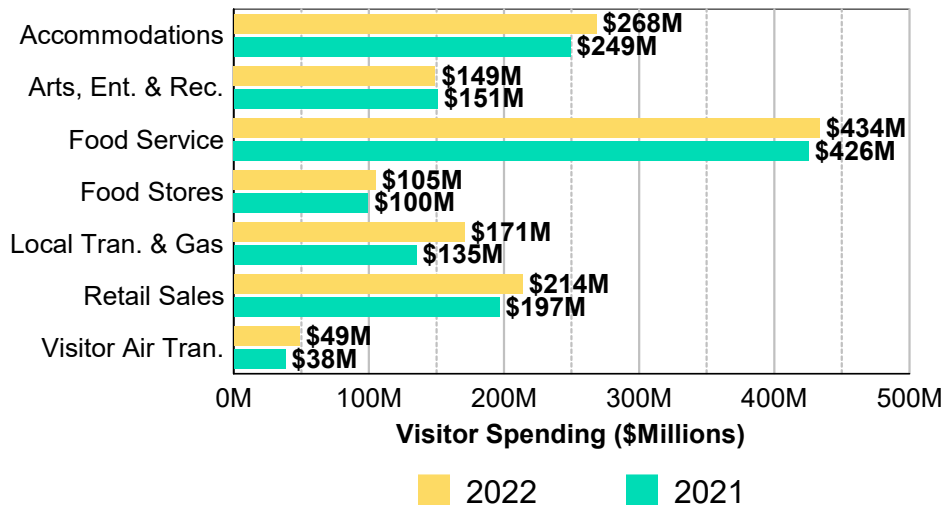


Visitors who stayed in a hotel or motel spent \$654 million in 2022, an increase of 6.8%. Visitors who stayed in short term vacation rentals (STVR) spent \$129 million in 2022, an increase of 5.2%.

Sources: State of Texas Comptroller, Dean Runyan Associates, Omnitrak Group, STR LLC., KeyData Dashboard, Census Bureau

Note: Private Home represents visitors staying with friends or family. (Glossary on page 16)

Visitor Spending by Commodity Purchased

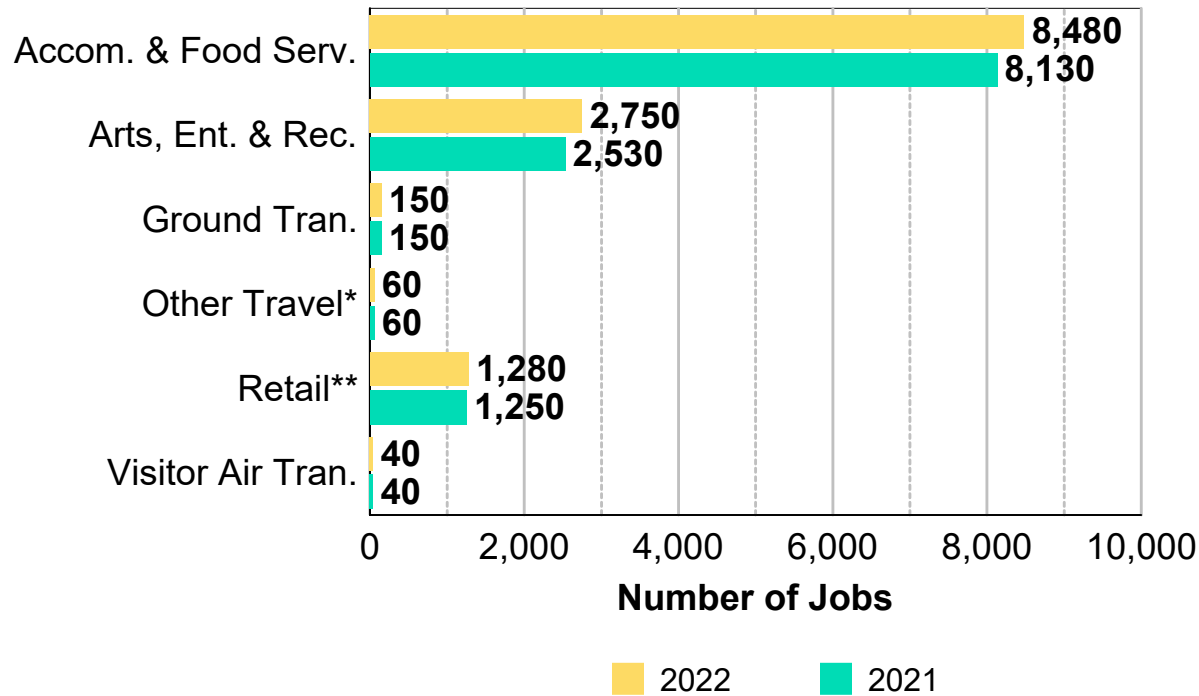


The largest gain in travel related spending for Corpus Christi came from the Local Transportation & Gas. Gas prices reached all time highs across the country in 2022, and are responsible for most of the increased spending. Accommodations had the second largest gain in visitor spend, increasing by \$19 million.

Sources: State of Texas Comptroller, Dean Runyan Associates, Omnitrak Group, STR LLC., KeyDataDashboard, Bureau of Labor Statistics, Energy Information Administration

Corpus Christi / Employment

Travel Industry Employment



**Retail includes gasoline station employment.

*Other travel includes travel arrangement services, and resident air travel.

Employment estimates represent an annual average employment level.

Total direct job gain is estimated at 600 jobs in 2022. Overall, travel industry employment experienced an increase of 4.9% year over year. The largest gain in employment came from Accommodations & Food Services, adding 350 jobs.

Sources: Dean Runyan Associates, Bureau of Labor Statistics, Bureau of Economic Analysis



Photo: Visit Corpus Christi

Corpus Christi / Impacts, Detailed

Direct Travel Impacts 2017-2022

	2017	2018	2019	2020	2021	2022	Avg. Annual % Chg.	
							2021-22	2017-22
Direct Travel Spending (\$Million)								
Visitor Spending	1,127.3	1,313.3	1,265.0	986.1	1,295.5	1,390.2	▲ 7.3%	▲ 4.3%
Other Travel*	55.3	59.3	59.9	21.3	38.0	50.1	▲ 31.7%	▼ -2.0%
TOTAL	1,182.6	1,372.5	1,324.9	1,007.4	1,333.6	1,440.3	▲ 8.0%	▲ 1.2%
Visitor Spending by Type of Traveler Accommodation (\$Million)								
Hotel, Motel	464.8	587.4	538.8	455.5	612.1	653.9	▲ 6.8%	▲ 7.1%
STVR	77.8	89.2	87.8	80.9	123.0	129.4	▲ 5.2%	▲ 10.7%
Campground	3.2	3.2	3.4	3.6	3.8	4.0	▲ 4.9%	▲ 4.5%
Private Home	318.0	325.4	338.6	276.3	289.2	322.1	▲ 11.4%	▲ 0.3%
2nd Home	10.8	11.7	12.2	10.5	11.3	12.2	▲ 8.0%	▲ 2.5%
Day Travel	252.7	296.3	284.1	159.3	256.0	268.5	▲ 4.9%	▲ 1.2%
TOTAL	1,127.3	1,313.3	1,265.0	986.1	1,295.5	1,390.2	▲ 7.3%	▲ 1.4%
Visitor Spending by Commodity Purchased (\$Million)								
Accommodations	182.6	210.5	204.9	174.0	249.1	268.4	▲ 7.8%	▲ 8.0%
Food Service	353.0	428.1	410.9	337.7	425.7	433.7	▲ 1.9%	▲ 4.2%
Food Stores	91.8	105.3	101.0	80.7	99.5	105.3	▲ 5.8%	▲ 2.8%
Local Tran. & Gas	115.8	130.1	126.6	90.1	135.3	171.0	▲ 26.3%	▲ 8.1%
Arts, Ent. & Rec.	136.2	160.4	154.1	120.5	150.9	149.3	▼ -1.1%	▲ 1.8%
Retail Sales	192.3	223.6	210.7	159.9	196.7	213.8	▲ 8.7%	▲ 2.1%
Visitor Air Tran.	55.6	55.2	56.8	23.2	38.3	48.7	▲ 27.1%	▼ -2.6%
TOTAL	1,127.3	1,313.3	1,265.0	986.1	1,295.5	1,390.2	▲ 7.3%	▲ 1.4%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

*Other Travel includes spending on travel arrangement services and resident air travel.

Note: Private Home represents visitors staying with friends or family. (Glossary on page 16)

Corpus Christi / Impacts, Detailed

Direct Travel Impacts 2017-2022

	2017	2018	2019	2020	2021	2022	Avg. Annual % Chg.	
							2021-22	2017-22
Travel Industry Earnings (\$Million)								
Accom. & Food Serv.	223.1	241.5	258.5	191.1	242.8	264.0	▲ 8.7%	▲ 3.4%
Arts, Ent. & Rec.	70.9	68.9	67.9	52.2	61.5	69.4	▲ 12.9%	▼ -0.4%
Retail**	36.9	39.7	43.2	37.3	42.3	45.7	▲ 7.9%	▲ 4.3%
Ground Tran.	5.3	5.5	5.8	5.9	6.5	7.3	▲ 12.2%	▲ 6.4%
Visitor Air Tran.	3.9	4.1	4.5	4.8	3.7	3.8	▲ 1.8%	▼ -0.3%
Other Travel*	4.8	5.4	5.7	4.8	4.5	4.6	▲ 3.2%	▼ -0.9%
TOTAL	344.9	365.0	385.8	296.2	361.3	394.8	▲ 9.3%	▲ 2.0%
Travel Industry Employment (Jobs)								
Accom. & Food Serv.	8,690	9,160	9,490	6,970	8,130	8,480	▲ 4.3%	▼ -0.5%
Arts, Ent. & Rec.	3,170	3,030	3,070	2,140	2,530	2,750	▲ 8.5%	▼ -2.8%
Retail**	1,280	1,330	1,410	1,120	1,250	1,280	▲ 2.2%	▲ 0.1%
Ground Tran.	150	150	150	140	150	150	▲ 0.7%	▼ -0.4%
Visitor Air Tran.	50	50	50	50	40	40	▼ -2.9%	▼ -5.8%
Other Travel*	80	80	80	60	60	60	▲ 3.1%	▼ -5.1%
TOTAL	13,410	13,790	14,240	10,500	12,160	12,750	▲ 4.9%	▼ -1.9%
Tax Receipts Generated by Travel Spending (\$Million)								
Local Tax Receipts	41.6	46.8	46.7	36.2	48.8	49.9	▲ 2.2%	▲ 3.7%
Visitor	24.8	28.8	27.8	21.8	30.1	31.2	▲ 3.4%	▲ 4.7%
Business/Employee	16.9	18.0	18.8	14.4	18.7	18.7	▲ 0.2%	▲ 2.1%
State Tax Receipts	66.8	77.5	75.6	60.9	78.6	82.8	▲ 5.5%	▲ 4.4%
Visitor	55.5	64.9	62.3	50.6	64.5	67.6	▲ 4.8%	▲ 4.0%
Business/Employee	11.2	12.7	13.3	10.3	14.1	15.3	▲ 8.4%	▲ 6.4%
TOTAL	108.4	124.3	122.2	97.1	127.3	132.7	▲ 4.2%	▲ 1.6%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

**Retail includes gasoline stations.

*Other travel includes travel arrangement services, and resident air travel.

Corpus Christi / Visitor Details

Visitor Volume and Average Spending

Overnight visitor volume for Corpus Christi is based on cross-referencing visitor surveys and lodging data. Volume estimates therefore will differ from methodologies that rely solely on visitor surveys. Visitor Spending is a more reliable metric to Visitor Volume in accounting for changes in the travel industry, as it is more closely tied to economic data and lessens the variability from visitor surveys.



28%

Hotel, Motel, STVR
share of person-trips

Average Expenditure for Visitors, 2022

	Person		Party		Party Size	Length of Stay
	Day	Trip	Day	Trip		
Hotel, Motel	\$234	\$539	\$400	\$921	1.7	2.3
Short Term Vacation Rental	\$133	\$507	\$518	\$1,968	3.9	3.8
Private Home	\$107	\$351	\$277	\$907	2.6	3.3
Other Overnight	\$63	\$200	\$158	\$498	2.5	3.2
Day	\$142	\$142	\$357	\$357	2.5	1.0
<i>All Overnight</i>	\$160	\$455	\$356	\$964	2.2	2.7
<i>All Visitors</i>	\$156	\$319	\$356	\$725	2.3	2.0

Visitor Volume, 2020-2022

	Person-Trips			Party-Trips		
	2020	2021	2022	2020	2021	2022
Hotel, Motel	1,007,400	1,239,500	1,213,100	589,700	725,500	710,100
STVR	176,300	261,800	255,200	45,400	67,500	65,800
Private Home	955,900	916,200	916,400	370,500	355,100	355,200
Other Overnight	80,300	82,600	81,300	32,300	33,200	32,700
Day	1,333,900	2,001,800	1,891,700	530,800	796,600	752,800
Total Volume	3,553,900	4,501,800	4,357,700	1,568,700	1,977,900	1,916,500

	Person-Nights			Party-Nights		
	2020	2021	2022	2020	2021	2022
Hotel, Motel	2,317,000	2,850,800	2,790,200	1,356,300	1,668,800	1,633,300
STVR	670,100	994,700	969,700	172,700	256,400	249,900
Private Home	3,132,600	3,002,400	3,003,100	1,214,200	1,163,700	1,164,000
Other Overnight	253,100	260,100	256,200	101,600	104,500	102,900
Day	1,333,900	2,001,800	1,891,700	530,800	796,600	752,800
Total Volume	7,706,700	9,109,800	8,910,900	3,375,600	3,989,900	3,902,900

Glossary

Term

Hotel, Motel

Private Home

Other Overnight

Day Travel

Visitor Spending

Other Travel

Direct Spending

Direct Earnings

Direct Employment

Local Taxes

State Taxes

Person Trips

Destination Spending

STVR

2nd Home

Definition

Accommodation types that house transient lodging activity.

Unpaid overnight accommodations used to host visiting friends and family overnight.

Combination of other overnight visitors who stay in campgrounds or 2nd homes.

Greater than 50 miles traveled non-routine to the destination.

Direct spending made by visitors in a destination.

Spending by residents on travel arrangement services, convention/trade shows, and a portion of ground transportation to visit other destinations.

Expenditures made by consumers, combination of Visitor Spending and Other Spending.

Total after-tax net income from travel. It includes wage and salary disbursements, proprietor income, and other earned income or benefits.

Employment generated by direct spending; includes full time, part time, seasonal, and proprietors.

City and county taxes generated by travel spending.

State taxes generated by travel spending.

Individual trips to the destination for all age groups.

Interchangeable with Visitor Spending. Direct spending made by visitors in a destination.

Short Term Vacation Rental, private and semi-private lodging rented by owners or property management companies (e.g. Airbnb, VRBO).

Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. Only includes spending during trip.

Methodology

Travel Impacts Methodology

Primary travel impact analysis will make use of the Regional Travel Impact Model (RTIM), prepared and maintained by Dean Runyan Associates and used for most of our travel impact analysis since 1985. This model was developed to provide robust impact findings at small geography without reliance on annual survey research. This is a “bottom up” approach whereby analysis is conducted at the county level, then aggregated to regions and the state, allowing us to use the most detailed tax, employment, wages, and other data that are available. Our clients have selected this approach to provide particularly detailed and defensible findings for all parts of their constituency.

Because the model does not rely on annual survey research for its primary inputs, we work in other states with a variety of other visitor profile providers, including national panel managers or those making use of intercept or regional web methodology. Analysis is conducted separately by type of visitor lodging, making use of data and modeling appropriate to each. Impact analysis associated with visitors staying in commercial lodging makes use of lodging tax data to calculate lodging sales, then employs expenditure distribution data for these types of visitors to calculate total sales and the distribution among expenditure categories. We maintain our own expenditure distribution database for each state we work in, but also make use of historic and current expenditure data, as available. Rental cabins, condos and other property are included in this category if lodging tax has been applied to sales.

Earnings, employment, and tax receipts are calculated using employment and wage data by business category, for each county, plus the applicable taxes on each type of expenditure. Tax impacts, such as for restaurant, fuel, and retail purchases, are calculated from spending amounts; totals will be checked against data from state sources.

Sales attributed to campers are calculated from campground inventory (separately for public and commercial campgrounds), camping occupancy data and average expenditures for camping parties. Expenditure data will be from expenditure databases that we maintain, augmented by visitor survey data available for Texas, as available.

Other impacts are calculated in a manner like those for commercial accommodation travelers. Sales attributable to travelers staying in their own second homes, or in rented condo, cabin, and other accommodations, are calculated from inventories of these types of lodging and the associated utilization and expenditure data. Findings are made consistent if some of these sales have been subject to lodging tax. Second home inventories are from US Census sources and any local/regional data available. Other impacts are calculated in a manner like those for commercial accommodation travelers.

(Continued on next page)

Methodology / Continued

Travel Impacts Methodology

Day travel spending is calculated as a factor of overnight spending, with the proportions based on visitor data for Texas travelers. This analysis will rely the most on visitor profile data provided by the profile contractor. Other impacts are calculated in a similar way as those for commercial accommodation travelers.

All spending estimates are summed for each county and separately for each business category with applicable data then used to calculate earnings, employment, and tax receipts. County totals will be mapped to regions using address and other location data for lodging, camping, and other rental accommodations using separate methods for each type of lodging.

In all cases, our data and methodology are transparent, allowing for reliable error trapping and effective review of findings. All findings are also checked against available comparable data, such as county-level employment data by industry from the US Bureau of Labor Statistics and lodging sales data from STR and Key Data.



Methodology / Continued

RTIM Industries mapped to NAICS

The following categorization is intended as a high level overview of how our reported industries map to the North American Industry Classification System. It should be noted the NAICS codes are based on responses from individual organizations and are not always a perfect 1:1 alignment with our analysis.

Travel Impact Industry	NAICS Industry Code
Accommodation & Food Service	Accommodation (721) Food Services and Drinking Places (722) Residential Property Managers (531311) Breweries, Wineries, Distilleries (312120, 312130, 312140)**Notes on next page
Arts, Entertainment & Recreation	Arts, Ent., Recreation (71) Scenic and Sightseeing Transportation (487) Motion picture and video exhibition (51213) Recreational goods rental (532292) Tour operators (56152)
Retail	Food & Beverage Stores (445) Gasoline Stations (447) Clothing and Clothing Accessories (448) Sporting Goods, Hobby, Book and Music Stores (451) General Merchandise Stores (452) Miscellaneous Store Retailers (453)
Transportation	Rail Transportation (482114) Water Transportation (4831) Urban transit systems (4851) Interurban and rural bus transportation (4852) Taxi and limousine service (4853) Charter bus industry (4855) Passenger car rental (532111) Truck, trailer, and RV rental and leasing (53212) Parking Lots and Garages (812930)
Air Transportation	Scheduled passenger air transportation (481111) Support activities for air transportation (4881)
Others	Travel agencies (56151) Convention and Trade Show Organizers (56192)

**Travel spending on breweries (312120), wineries (312130) and distilleries (312140) are included within the Food Service, Retail, Food Stores, and Recreation industries. It is likely that the bulk of travel-related spending on these alcohol-related NAICS codes occurs within the Food Service category. However, because experiences at breweries, wineries, and distilleries often include a significant experiential component, as well as opportunities for retail purchases, we are unable to allocate exact percentages to the above travel impact categories.