

The Economic Impact of Travel

Corpus Christi

2021

May 2022

PREPARED FOR
Visit Corpus Christi



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The Economic Impact of Travel in Corpus Christi

2021

Visit Corpus Christi

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Photo: Visit Corpus Christi

Table of Contents

Summary.....	6
Direct Impacts Trend.....	7
Trip Purpose - Business/Leisure.....	8
Regional Comparison.....	9
Visitor Spending by Commodity.....	10
Visitor Spending by Accommodation.....	10
Direct Employment (Chart).....	11
Direct Impacts Details (Spending).....	12
Direct Impacts Details (Earnings, Employment, Taxes).....	13
Visitor Volume and Average Spending.....	14
Glossary (Economic Impacts).....	15
Methodology (Economic Impacts).....	16



Corpus Christi

2021

Corpus Christi / Summary

Travel Impacts 2021

Located in Texas on the Gulf of Mexico, approximately 120 miles south of San Antonio, Corpus Christi is home to sandy beaches, cultural venues, attractions, culinary delights and more experiences than one can get in a single trip.

During 2020, the COVID-19 pandemic caused global economic hardship. The travel industry has been especially hard hit, even more so than during the Great Recession. U.S. travel spending declined an estimated 50% in 2020 (BEA TTSA). Travel activity began its recovery in mid 2020 with some destinations seeing returns to normal in 2021.

- Travel spending in Corpus Christi increased 34.2% from \$1.0 billion in 2020 to \$1.35 billion in 2021.
- Direct travel-generated employment experienced a gain of approximately 1,750 jobs, a 16.7% increase. Direct travel-generated employment totals 12,250 jobs in 2021.
- Direct travel-generated earnings increased 21.8% from \$296.2 million to \$360.7 million in 2021.
- Tax receipts generated by travel spending are up 33% compared to 2020. Approximately 13% of sales taxes generated in the city of Corpus Christi come from travel activity*.

Corpus Christi's travel industry grew 34.2% in 2021, strongly fueled by price increases, and increased lodging sales.

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 / Trend

Direct Travel Impacts 2017-2021

	2017	2018	2019	2020	2021	Avg. Annual % Chg.	
						2020-21	2017-21
Spending (\$Millions)							
Total (Current \$)	1182.6	1,372.5	1,324.9	1,007.4	1,352.1	▲ 34.2%	▲ 3.4%
Other	55.3	59.3	59.9	21.3	34.0	▲ 59.7%	▼ -11.4%
Visitor	1127.3	1,313.3	1,265.0	986.1	1,318.0	▲ 33.7%	▲ 4.0%
Non-transportation	955.9	1,128.0	1,081.5	872.8	1,149.4	▲ 31.7%	▲ 4.7%
Transportation	171.4	185.3	183.4	113.3	168.6	▲ 48.8%	▼ -0.4%
Earnings (\$Millions)							
Earnings (Current \$)	344.9	365.0	385.8	296.2	360.7	▲ 21.8%	▲ 1.1%
Employment (Jobs)							
Employment	13,410	13,790	14,240	10,500	12,250	▲ 16.7%	▼ -2.2%
Tax Revenue (\$Millions)							
Total (Current \$)	108.4	124.3	122.2	97.1	129.1	▲ 33.0%	▲ 4.5%
Local Tax Receipts	41.6	46.8	46.7	36.2	47.9	▲ 32.4%	▲ 3.6%
Visitor	24.8	28.8	27.8	21.8	30.3	▲ 38.7%	▲ 5.2%
Business or Employee	16.9	18.0	18.8	14.4	17.7	▲ 22.7%	▲ 1.1%
State Tax Receipts	66.8	77.5	75.6	60.9	81.2	▲ 33.3%	▲ 5.0%
Visitor	55.5	64.9	62.3	50.6	68.3	▲ 34.8%	▲ 5.3%
Business or Employee	11.2	12.7	13.3	10.3	12.9	▲ 25.8%	▲ 3.6%

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

Employment and earnings include CARES Act support.

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 2019*

Primarily 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. Leisure visitors spend the majority of their money on food services.

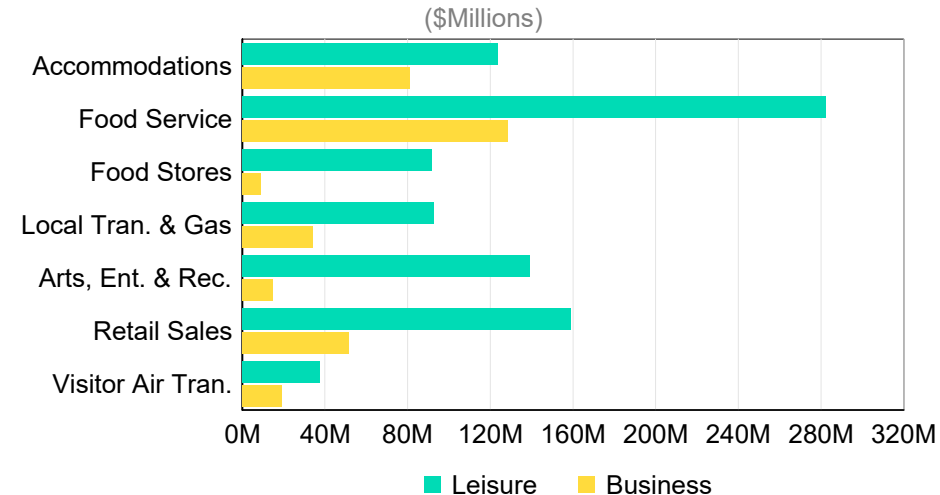
Approximately 23% of visitor volume and 27% of visitor spending in 2019 was from business travel.

	Direct Spend	Leisure	Business
Accommodations	\$204.9	\$123.8	\$81.1
Food Service	\$410.9	\$282.1	\$128.7
Food Stores	\$101.0	\$91.8	\$9.2
Local Tran. & Gas	\$126.6	\$92.4	\$34.2
Arts, Ent. & Rec.	\$154.1	\$139.1	\$15.0
Retail Sales	\$210.7	\$159.1	\$51.6
Visitor Air Tran.	\$56.8	\$37.7	\$19.1
Direct Spending	\$1,265.0	\$926.2	\$338.8
Visitor Volume	4.7	3.6	1.1

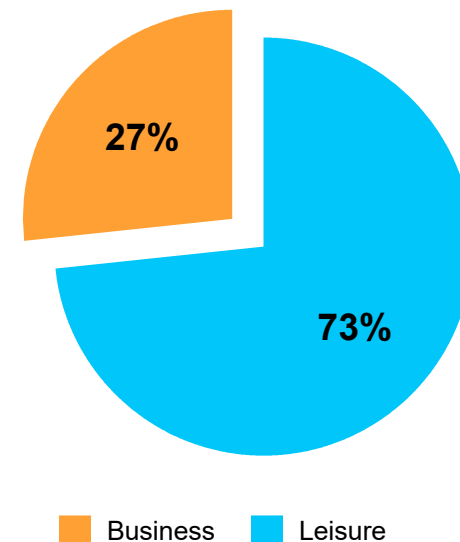
Sources: Dean Runyan Associates, Omnitrak Group, DKShifflet, Visit Corpus Christi.

*2019 was selected due to high variability, data limitations and changing dynamics of business travel due to the COVID-19 pandemic. In future years adequate data will be available to fully understand the impacts of these changes. 2019 also provides a solid baseline understanding of the importance of both travel groups.

Spending by Commodity by Trip Purpose, 2019



Spending by Trip Purpose, 2019



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 the larger metropolitan area and to the Bureau of Economic Analysis estimate on employment within both Nueces County and the Corpus Christi MSA.

The first chart highlights the size of the travel industry in the city compared to the larger MSA. The city is 72% of all the direct travel spending in the MSA and 74% of all direct travel employment. In terms of local tax revenue the city is 62% of all local revenue generated by travel activity. The primary difference between cities will be the various tax rates applied to the available commodities and the availability of paid lodging opportunities.

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. Due to data limitations total employment for the city of Corpus Christi is not available, the findings presented should be accurate representations of the city distribution of economic activity.

Prior to 2020 travel employment in the city of Corpus Christi was 5.7% of all employment in the Corpus Christi MSA, and 6.4% of all employment in Nueces County. In 2021 travel employment is 5.8% of all county employment and 5.1% of MSA employment.

Direct Travel Impacts, 2021

	Corpus Christi MSA	City of Corpus Christi	Percent of MSA
Spending (\$M)	\$1,879.9	\$1,352.1	72%
Earnings (\$M)	\$496.9	\$360.7	73%
Employment (Jobs)	16,640	12,250	74%
State Tax Revenue (\$M)	\$116.4	\$81.2	70%
Local Tax Revenue (\$M)	\$77.5	\$47.9	62%
Visitor Volume* (Thousands)	7,530	4,650	62%

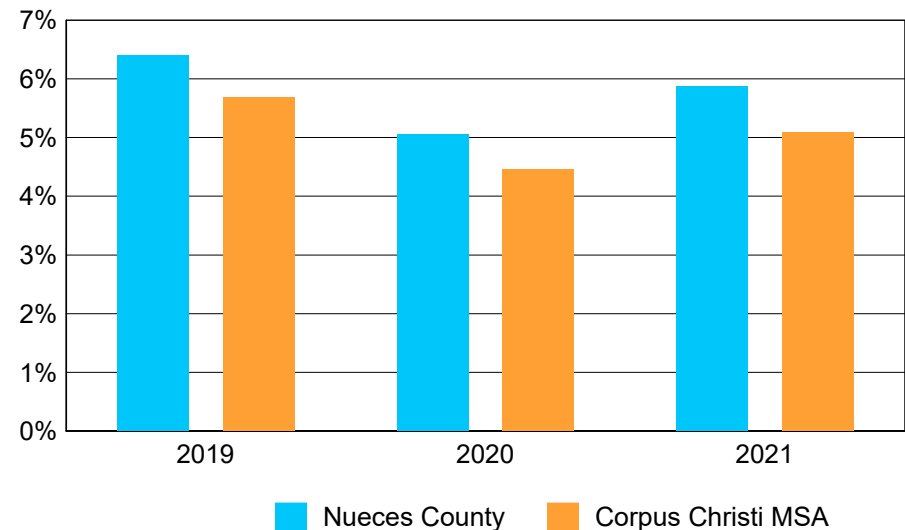
Sources: Dean Runyan Associates

Notes:

*Visitor volume calculated as person trips. Total MSA volume will be less than the sum of the individual cities within the MSA due to cross-city visitation patterns. Visitor volume estimates based primarily on underlying economic data, this may result in differences in estimates compared to other travel research methodologies. Economic activity is a more reliable gauge of visitor activity than visitor volume.

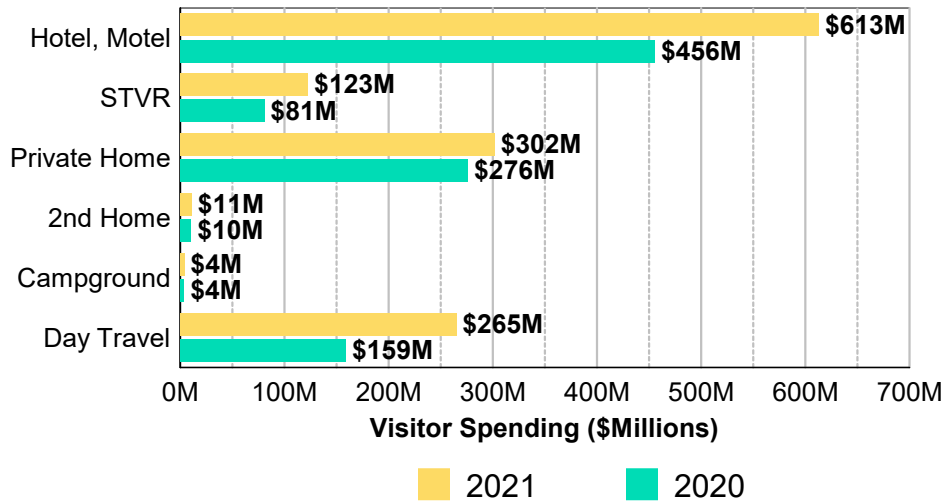
Travel Employment as a Percent of Total Employment

City of Corpus Christi



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

Visitor Spending by Accommodation Type / Corpus Christi



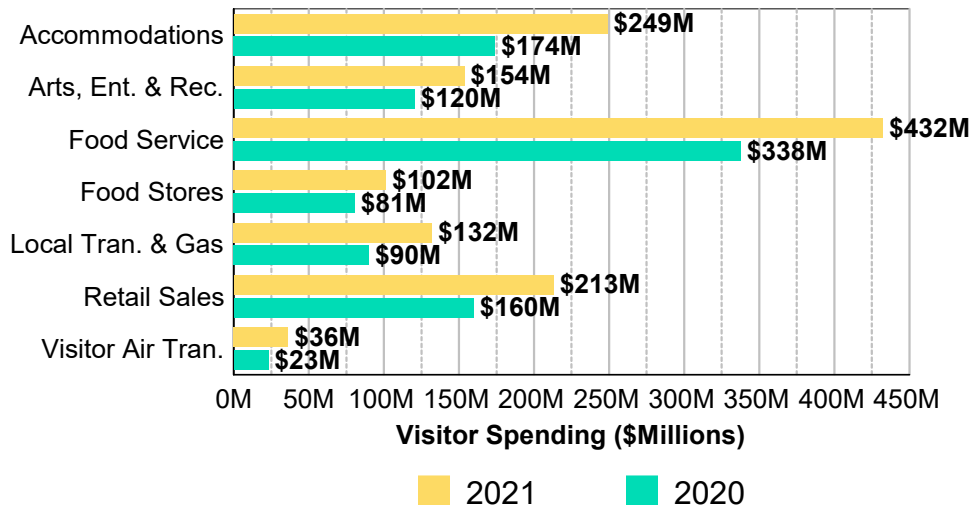
Visitors who stayed in a hotel or motel spent \$613 million in 2021, an increase of 34.6%. Visitors who stayed in short term vacation rentals (STVR) spent \$123 million in 2021, an increase of 51.8%.

Day visitation also saw a bounce back from 2020 increasing 66.4% year over year.

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)

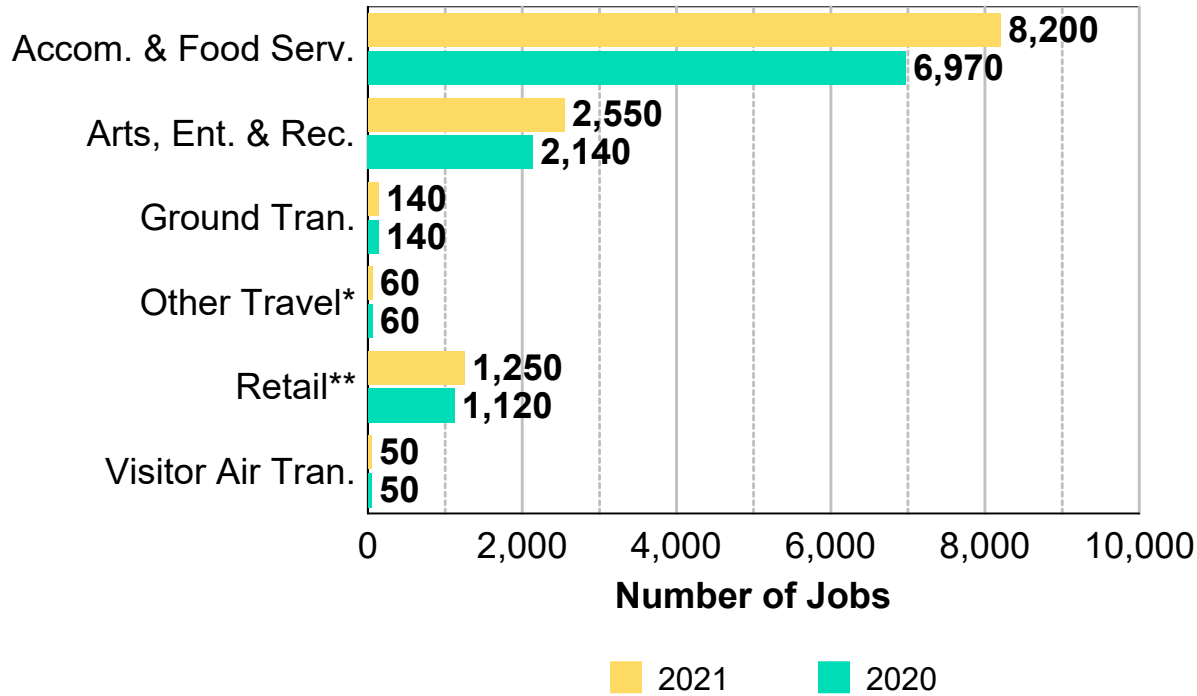
Visitor Spending by Commodity Purchased / Corpus Christi



Food Services experienced the largest gain in terms of dollars spent (\$94 million). Accommodations was the second best performing sector by amount spent (\$75 million). Growth in accommodations is fueled strongly by the return to travel with lodging sales at both hotels and short term vacation rentals increasing year over year.

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

Travel Industry Employment / Corpus Christi



**Retail includes gasoline station employment.

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

Employment includes CARES Act support.

Employment estimates represent an annual average employment level.

Total direct job gain is estimated at 1,750 jobs in 2021.
Overall, travel industry employment experienced an increase of 16.7% year over year.

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



Photo: Visit Corpus Christi

Corpus Christi / Detail

Direct Travel Impacts 2017-2021

	2017	2018	2019	2020	2021	Avg. Annual % Chg.	
						2020-21	2017-21
Direct Travel Spending (\$Million)							
Visitor Spending	1,127.3	1,313.3	1,265.0	986.1	1,318.0	▲ 33.7%	▲ 4.0%
Other Travel*	55.3	59.3	59.9	21.3	34.0	▲ 59.7%	▼ -11.4%
TOTAL	1,182.6	1,372.5	1,324.9	1,007.4	1,352.1	▲ 34.2%	▲ 3.4%
Visitor Spending by Type of Traveler Accommodation (\$Million)							
Hotel, Motel	464.8	587.4	538.8	455.5	613.2	▲ 34.6%	▲ 7.2%
STVR	77.8	89.2	87.8	80.9	122.8	▲ 51.8%	▲ 12.1%
Campground	3.2	3.2	3.4	3.6	3.9	▲ 10.1%	▲ 5.1%
Private Home	318.0	325.4	338.6	276.3	301.9	▲ 9.3%	▼ -1.3%
2nd Home	10.8	11.7	12.2	10.5	11.0	▲ 5.5%	▲ 0.4%
Day Travel	252.7	296.3	284.1	159.3	265.1	▲ 66.4%	▲ 1.2%
TOTAL	1,127.3	1,313.3	1,265.0	986.1	1,318.0	▲ 33.7%	▲ 4.0%
Visitor Spending by Commodity Purchased (\$Million)							
Accommodations	182.6	210.5	204.9	174.0	249.0	▲ 43.1%	▲ 8.1%
Food Service	353.0	428.1	410.9	337.7	432.3	▲ 28.0%	▲ 5.2%
Food Stores	91.8	105.3	101.0	80.7	101.5	▲ 25.8%	▲ 2.6%
Local Tran. & Gas	115.8	130.1	126.6	90.1	132.1	▲ 46.6%	▲ 3.3%
Arts, Ent. & Rec.	136.2	160.4	154.1	120.5	153.7	▲ 27.5%	▲ 3.1%
Retail Sales	192.3	223.6	210.7	159.9	213.0	▲ 33.2%	▲ 2.6%
Visitor Air Tran.	55.6	55.2	56.8	23.2	36.5	▲ 57.2%	▼ -10.0%
TOTAL	1,127.3	1,313.3	1,265.0	986.1	1,318.0	▲ 33.7%	▲ 4.0%

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 / Detail

Direct Travel Impacts 2017-2021

	2017	2018	2019	2020	2021	Avg. Annual % Chg.	
						2020-21	2017-21
Travel Industry Earnings (\$Million)							
Accom. & Food Serv.	223.1	241.5	258.5	191.1	242.7	▲ 27.0%	▲ 2.1%
Arts, Ent. & Rec.	70.9	68.9	67.9	52.2	61.0	▲ 16.9%	▼ -3.7%
Retail**	36.9	39.7	43.2	37.3	41.8	▲ 11.9%	▲ 3.1%
Ground Tran.	5.3	5.5	5.8	5.9	5.9	▲ 0.8%	▲ 2.9%
Visitor Air Tran.	3.9	4.1	4.5	4.8	4.4	▼ -8.1%	▲ 3.6%
Other Travel*	4.8	5.4	5.7	4.8	4.8	▼ -0.7%	▼ 0.0%
TOTAL	344.9	365.0	385.8	296.2	360.7	▲ 21.8%	▲ 1.1%
Travel Industry Employment (Jobs)							
Accom. & Food Serv.	8,690	9,160	9,490	6,970	8,200	▲ 17.5%	▼ -1.4%
Arts, Ent. & Rec.	3,170	3,030	3,070	2,140	2,550	▲ 19.3%	▼ -5.2%
Retail**	1,280	1,330	1,410	1,120	1,250	▲ 10.9%	▼ -0.6%
Ground Tran.	150	150	150	140	140	▼ -0.5%	▼ -2.3%
Visitor Air Tran.	50	50	50	50	50	▼ -8.1%	▼ -1.1%
Other Travel*	80	80	80	60	60	▼ -2.0%	▼ -4.7%
TOTAL	13,410	13,790	14,240	10,500	12,250	▲ 16.7%	▼ -2.2%
Tax Receipts Generated by Travel Spending (\$Million)							
Local Tax Receipts	41.6	46.8	46.7	36.2	47.9	▲ 32.4%	▲ 3.6%
Visitor	24.8	28.8	27.8	21.8	30.3	▲ 38.7%	▲ 5.2%
Business/Employee	16.9	18.0	18.8	14.4	17.7	▲ 22.7%	▲ 1.1%
State Tax Receipts	66.8	77.5	75.6	60.9	81.2	▲ 33.3%	▲ 5.0%
Visitor	55.5	64.9	62.3	50.6	68.3	▲ 34.8%	▲ 5.3%
Business/Employee	11.2	12.7	13.3	10.3	12.9	▲ 25.8%	▲ 3.6%
TOTAL	108.4	124.3	122.2	97.1	129.1	▲ 33.0%	▲ 4.5%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures. Employment and earnings include CARES Act support.

**Retail includes gasoline stations.

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

Corpus Christi / Visitor Volume

Visitor Volume and Average Spending

Overnight visitor volume for Corpus Christi is based on cross-referencing visitor surveys and economic 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.

Average Expenditure for Visitors, 2021

	Person		Party		Party Size	Length of Stay
	Day	Trip	Day	Trip		
Hotel, Motel	\$213	\$491	\$365	\$839	1.7	2.3
Short Term Vacation Rental	\$123	\$466	\$476	\$1,810	3.9	3.8
Private Home	\$95	\$312	\$246	\$805	2.6	3.3
Other Overnight	\$58	\$182	\$144	\$454	2.5	3.2
Day	\$127	\$127	\$319	\$319	2.5	1.0
<i>All Overnight</i>	\$144	\$411	\$322	\$872	2.2	2.7
<i>All Visitors</i>	\$140	\$283	\$321	\$647	2.3	2.0

Visitor Volume, 2019-2021

	Person-Trips			Party-Trips		
	2019	2020	2021	2019	2020	2021
Hotel, Motel	1,925,400	1,007,400	1,249,100	626,100	589,700	731,200
STVR	189,100	176,300	263,200	48,700	45,400	67,800
Private Home	1,133,700	955,900	968,000	439,400	370,500	375,200
Other Overnight	86,900	80,300	81,900	34,900	32,300	32,900
Day	2,383,500	1,333,900	2,088,100	948,500	530,800	830,900
Total Volume	5,718,700	3,553,900	4,650,300	2,097,700	1,568,700	2,038,000



33%

Hotel, Motel, STVR
share of person-trips

	Person-Nights			Party-Nights		
	2019	2020	2021	2019	2020	2021
Hotel, Motel	4,428,300	2,317,000	2,873,000	1,440,100	1,356,300	1,681,700
STVR	718,700	670,100	1,000,300	185,200	172,700	257,800
Private Home	3,715,300	3,132,600	3,172,000	1,440,000	1,214,200	1,229,500
Other Overnight	273,700	253,100	258,000	109,900	101,600	103,600
Day	2,383,500	1,333,900	2,088,100	948,500	530,800	830,900
Total Volume	11,519,600	7,706,700	9,391,400	4,123,800	3,375,600	4,103,500

Glossary

Term

Hotel, Motel, STVR

Private Home

Other Overnight

Day Travel

Visitor Spending

Other Spending

Direct Spending

Direct Earnings

Direct Employment

Local Taxes

State Taxes

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, or spending for convention activity.

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.

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.

Assumptions / Methodology

Travel Impacts Methodology

Dean Runyan Associates uses our proprietary Regional Travel Impact Model (RTIM) to generate the data presented in this report. This model uses a fiscal based approach to accurately quantify travel and reduce reliance and variability of survey data. Each accommodation type (Hotel/Motel, Short Term Vacation Rental, Private Home, 2nd Home, Camping, and Day) is modeled uniquely to capture the different types of economic contributions from these visitors. Primary data sources for estimating visitor volumes and spending include lodging taxes, hotel inventory and performance data, short term vacation rental inventory and performance data, campground inventory (private, public) and performance data (public if available), population and housing characteristics, seasonal home ownership inventory. Secondary datasets include visitor profile surveys to inform on distributions of expenditures, lengths of stay, party sizes, and the share of day visitation (we do not directly use visitor profile providers volume estimates).

Earnings and employment data are derived from the relationship between business income and employee expenses. Primary data sources include U.S. Census Bureau, Bureau of Labor Statistics, Bureau of Economic Analysis.

Tax calculations occur for each type of government (State, Local, Federal). In the case of local tax estimates these cover both county and city entities. Point of sale tax receipts are generated based on each unique tax rate that applies to the underlying commodity activity. Income taxes (if applicable) are based on both business income and the derived employee income. Property taxes (if applicable & included) are based on the earnings of employees and businesses, these taxes

Travel Impacts Assumptions

- The distribution of commodity expenditures by visitors tracks closely with the larger geographic area of Nueces County and the Corpus Christi MSA.
- Overnight visitors are defined as non-local overnight visitation utilizing accommodations that are Hotels/Motels, Short Term Rentals (STR), Camping, Private Home (VFR), and 2nd homes.
- Day visitors include anyone traveling 50 miles or more one way for non-routine travel (e.g. commuting or regular shopping trips) or visitors staying overnight in adjacent cities.
- Travel contains tourism activity, business activity, and other transient activity.
- Source data is accurate and complete. (Sources include: Bureau of Labor Statistics, Census Bureau, Bureau of Economic Analysis, STR LLC., KeyData Dashboard, U.S. Department of Transportation, Energy Information Administration, Omnitrak Group)