

# The Kansas Visitor Industry

September 2022

Prepared for: Kansas Tourism





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## INTRODUCTION

# PROJECT BACKGROUND

The travel sector is an integral part of the Kansas economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the state's economy. How critical? In 2021, tourism-supported jobs accounted for 4.5% of all jobs in the state and \$700 million in revenues to state and local governments.

By monitoring the visitor economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development. They can also carefully monitor its successes and future needs.

## METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the state of Kansas. The model traces the flow of visitor-related expenditures through the state's economy and their effects on employment, wages, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts of tourism. Tourism Economics then cross-checked these findings with employment and wage data for each sector to ensure the findings are within reasonable ranges.

Visitors included those who stayed in overnight accommodations or those who came from a distance greater than 50 miles and deviated from their normal routine.

The primary source of the employment and wage data is the Regional Economic Information System (REIS), maintained by the Bureau of Economic Analysis.

This is particularly true for Kansas as its tourism economy rebounds. By establishing a timeline of economic impacts, the industry can track its gains and progress.

To quantify the significance of the visitor economy in Kansas, Tourism Economics developed a comprehensive model detailing the far-reaching impacts arising from visitor spending. The results of this study show the scope of the visitor economy in terms of direct visitor spending, along with total economic impacts, jobs, and fiscal (tax) impacts in the broader economy.

This is more comprehensive than Bureau of Labor Statistics (ES202/QCEW) data because sole-proprietors do not require unemployment insurance and are not counted in the ES202 data.

The analysis draws on the following data sources:

- D.K. Shifflet: survey data, including spending and visitor totals for domestic visitors to Kansas
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR lodging performance data, including room demand, room rates, occupancy, and room revenue, for hotels and short-term rentals
- Tax collections: Lodging and sales tax receipts
- Tourism Economics: international travel data for overseas, Canadian, and Mexican travel to Kansas based on aviation, survey, and credit card information

# ECONOMIC IMPACTS

## KEY FINDINGS

### DIRECT VISITOR SPENDING IMPACT

With pandemic effects on businesses lessening and travel confidence increasing, visitor activity in Kansas jumped in 2021. Visitor spending increased 28% to \$7.0 billion as tourism in rebounded back to 95% of 2019 levels. Visitor spending jumped \$1.5 billion as attractions and events reopened and restarted. Visitor spending increases were driven by visitation gains, with increases in overnight visitors, helping boost per-visitor spending. Visitation increased by 7%, rebounding to 33.7 million visitors in 2021.



Note: Numbers may not add up due to rounding

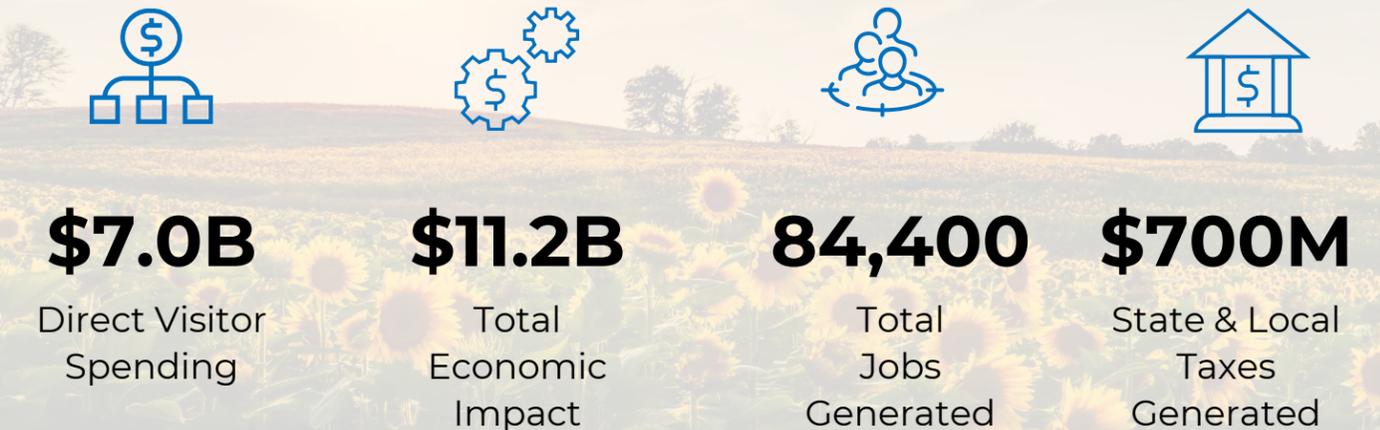


### TOTAL ECONOMIC IMPACT

The direct visitor spending impact of \$7.0 billion generated a total economic impact of \$11.2 billion in Kansas in 2021 including indirect and induced impacts. This total economic impact sustained 84,400 jobs and generated \$700 million in state and local tax revenues in 2021.



### SUMMARY ECONOMIC IMPACTS Kansas Tourism (2021)





## VISITS & VISITOR SPENDING

Recovering was the big theme for the Kansas visitor results in 2021. With pandemic effects softening and consumer confidence in travel growing, people’s desire and interest in travel pushed visitation and visitor spending to impressive growth rates. However, the recovery remained uneven in 2021 as international travel remained subdued and COVID variants affected business and event-related travel. But strength in leisure travel helped drive overall results to levels very close to pre-pandemic levels.

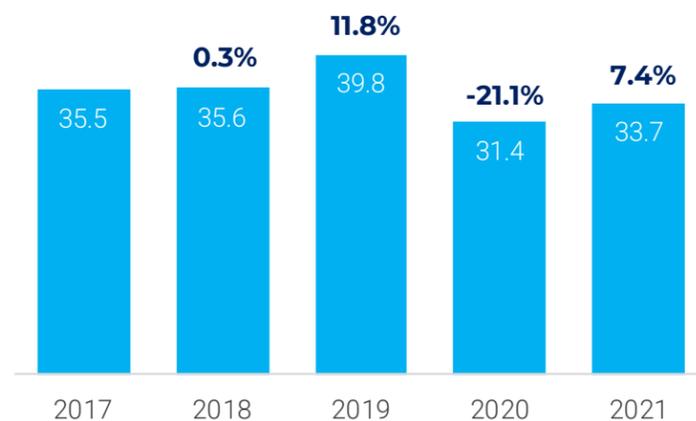
### VISITOR VOLUME

#### Recovery in 2021

In 2021, travel confidence rebounded with easing restrictions and available vaccines. As a result, visitor volume growth was strong, registering a gain of 7.4% in 2021, with levels recovering to 85% of pre-pandemic levels.

#### Kansas visitor volume

Amounts in millions



Sources: DK Shifflet, Tourism Economics

### VISITOR SPENDING

Visitors to Kansas spent \$7.0 billion across a range of sectors in 2021.

With trips rebounding strongly, visitor spending jumped 28% in 2021. This growth has brought spending levels to within 5% of 2019 levels.

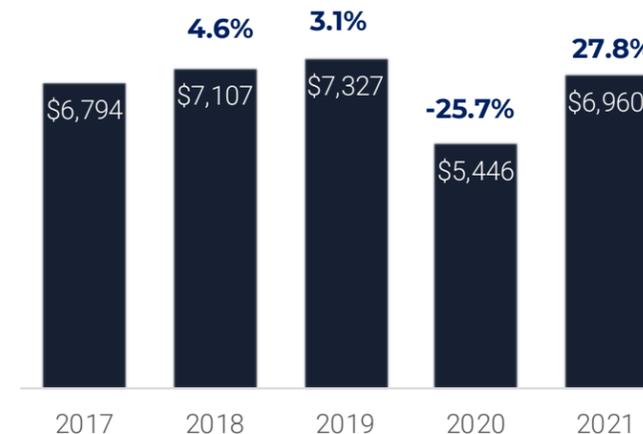
In-state transportation remains the largest spending category in 2021 with just over a quarter of each visitor dollar dedicated to transportation costs.

Visitors spent 24% of the average visitor dollar on food & beverages – in businesses from restaurants to grocery stores.

Lodging’s \$937 million in spending from visitors was 12% of the visitor dollar with retail and recreation & entertainment spending seeing about 15% of each visitor dollar spent in Kansas in 2021.

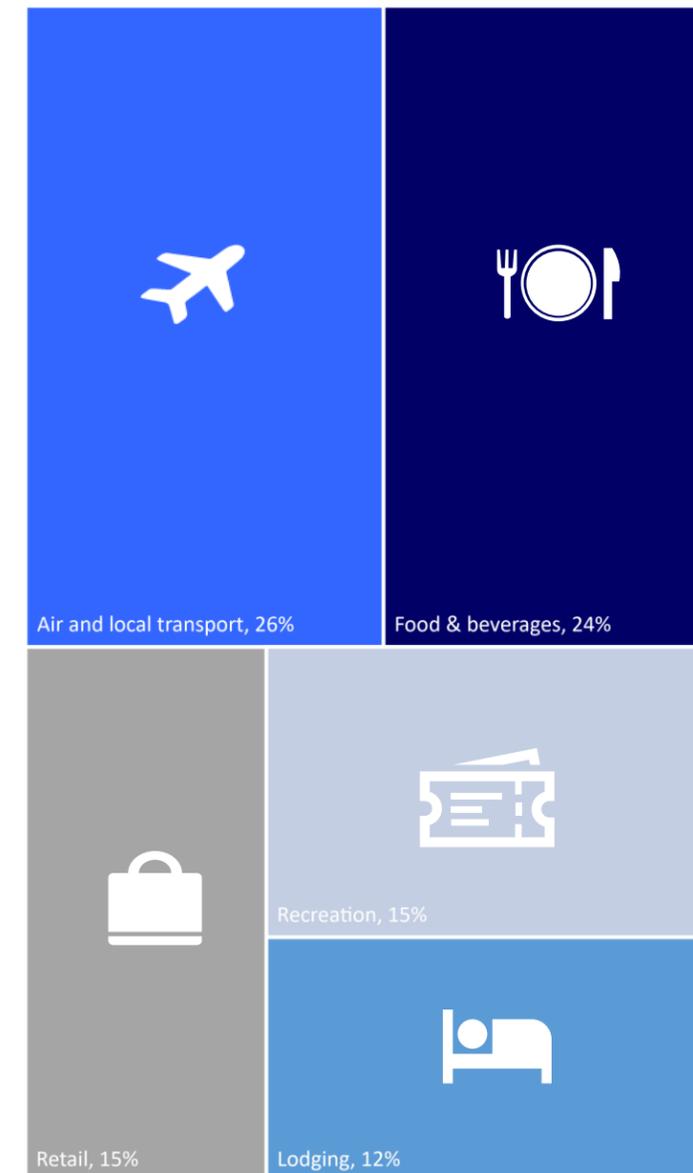
#### Kansas visitor spending

Amounts in \$ millions



Sources: DK Shifflet, Tourism Economics

**\$7.0 BILLION**  
Total Visitor Spending in 2021



Source: Tourism Economics

Note: Lodging spending is calculated as an industry.. Spending also includes dollars spent on second homes. Transport includes both air and local transportation.

## VISITOR SPENDING TRENDS

Spending grew across all sectors with the strongest growth seen in the categories that had been hardest hit during the pandemic – lodging and recreation. Lodging spending increased by 42% after a fall of over half in 2020. Even with that historic increase, lodging spending remains at 81% of pre-pandemic levels.

Recreational spending grew nearly a third in 2021, bringing it back to 93% of pre-pandemic levels.

Retail and food & beverage spending have surpassed pre-pandemic levels. Food & beverage spending increased by nearly \$400 million to reach \$1.8 billion - \$5 million more than was spent by visitors in 2019. Retail spending by visitors is nearly \$30 million more than pre-pandemic levels.

## VISITOR SEGMENTS

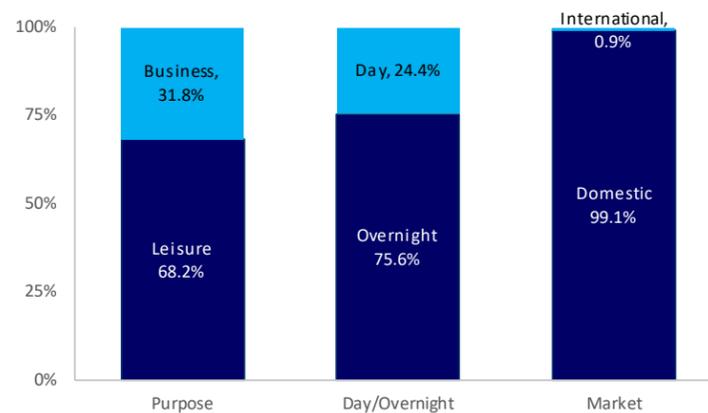
Spending by overnight visitors reached \$5.3 billion in 2021. With 14 million person-trips in Kansas, spending by an overnight visitor grew to \$368 per-person.

Day spending grew to \$1.7 billion in 2021.

With price increases factoring in, per visitor spending grew to \$207 in 2021, up from \$173 in 2020.

### Kansas spending share by segment

Percent % of visitor spending by market



Source: Tourism Economics

### Kansas visitor spending and annual growth

Amounts in \$billions, 2021 % change, and % recovered relative to 2021

	2017	2018	2019	2020	2021	2021 Growth	% relative to 2019
<b>Total visitor spending</b>	<b>\$6,794</b>	<b>\$7,107</b>	<b>\$7,327</b>	<b>\$5,446</b>	<b>\$6,960</b>	<b>27.8%</b>	<b>95.0%</b>
Lodging*	\$1,100	\$1,122	\$1,163	\$658	\$937	42.5%	80.6%
Food & beverage	\$1,657	\$1,723	\$1,804	\$1,415	\$1,809	27.9%	100.3%
Retail	\$1,028	\$1,076	\$1,086	\$880	\$1,114	26.6%	102.6%
Recreation	\$1,085	\$1,164	\$1,192	\$842	\$1,114	32.3%	93.4%
Transportation**	\$1,924	\$2,022	\$2,082	\$1,651	\$1,986	20.3%	95.4%

Source: Tourism Economics

\* Lodging includes second home spending

\*\* Transportation includes both ground and air transportation

### Visitor volume and spending

Amounts in mils of persons, \$millions, and \$ per person

	2017	2018	2019	2020	2021
<b>Total visitors</b>	<b>35.5</b>	<b>35.6</b>	<b>36.5</b>	<b>31.4</b>	<b>33.7</b>
Day	21.1	21.0	21.6	19.4	19.4
Overnight	14.4	14.5	14.9	12.0	14.3
<b>Total visitor spending</b>	<b>\$6,794</b>	<b>\$7,107</b>	<b>\$7,327</b>	<b>\$5,446</b>	<b>\$6,960</b>
Day	\$1,684	\$1,747	\$1,695	\$1,352	\$1,701
Overnight	\$5,110	\$5,360	\$5,632	\$4,093	\$5,259
<b>Per visitor spending</b>	<b>\$192</b>	<b>\$200</b>	<b>\$200</b>	<b>\$173</b>	<b>\$207</b>
Day	\$80	\$83	\$78	\$70	\$88
Overnight	\$355	\$368	\$378	\$340	\$368

Source: Tourism Economics

## VISITOR SPENDING DISTRIBUTION - LEVELS

Visitor spending in 2021 increased in all the major spending categories, led by food & beverage and transportation. Food & beverage spending by visitors increased by nearly \$400 million in 2021 to reach \$1.8 billion, on par with 2019 levels.

Recreational spending had been hard hit during the pandemic as closures and limitations on events affected attendance and revenues. Recreational spending increased by \$272 million in 2021 to reach \$1.1 billion, 93% of 2021 levels after falling to 70% of 2021 levels in 2020.

Retail spending by visitors, having had the smallest impact from the pandemic, has recovered to 103% of pre-pandemic levels, the strongest of the major spending categories.

### Visitor Spending in Kansas, 2017-2021

By category, amounts in millions of \$



Source: DK, Shifflet, Tourism Economics

## VISITOR SPENDING DISTRIBUTION - SHARES

Spending shares inched back towards pre-pandemic levels as travel started to return to more normal conditions. After falling to 12% of each visitor dollar, lodging spending rose to 13.5% of each visitor dollar in 2021, moving towards pre-pandemic levels.

Retail shopping by visitors dropped back to 16% of the average visitor dollar in 2021 after reaching 16.2% in 2020. Pre-pandemic retail spending was around 15 cents of each visitor dollar as retail continues to be a more-important sector of visitor spending in pandemic-influenced travel.

### Visitor Spending Shares in Kansas, 2017-2021

By category, %



Source: DK Shifflet, Tourism Economics

## VISITOR ECONOMY TRENDS

The visitor economy looks at a broader range of tourism-related expenditures. These include government support for tourism as well as capital investment (both new structures and machinery and equipment spending).

Overall, traveler demand reached \$7.5 billion in 2021 with domestic traveler spending dominating, bringing in \$6.9 billion towards overall traveler demand. Capital investment in support of tourism grew to \$471 million in 2021, an increase of 13%. Growth in governmental support of tourism along with domestic (defined as internal US travelers) was moderate in 2021.

### Tourism Capital Investment

Amounts in millions of nominal dollars

	2017	2018	2019	2020	2021
<b>Total Tourism CAPEX</b>	<b>\$587</b>	<b>\$530</b>	<b>\$613</b>	<b>\$416</b>	<b>\$471</b>
Machinery & equip.	\$337	\$353	\$364	\$275	\$345
Construction	\$250	\$178	\$249	\$141	\$126

## VISITOR ECONOMY DISTRIBUTION

In Kansas, domestic visitor markets increased their relative importance to 91.4% of tourism demand in 2021.

Capital investment in tourism-related construction and machinery & equipment represented 6.2% of all tourism-related demand.

International visitor markets provided 0.8% of demand in 2021.

Governmental support share was 0.6% of all Kansas tourism demand in 2021.

### Kansas tourism demand

Amounts in \$millions, 2021 % change, and % relative from 2019

	2017	2018	2019	2020	2021	2021 Growth	% relative to 2019
<b>Tourism Demand</b>	<b>\$7,499</b>	<b>\$7,760</b>	<b>\$8,067</b>	<b>\$5,970</b>	<b>\$7,547</b>	<b>26.4%</b>	<b>93.5%</b>
Domestic Visitor	\$6,690	\$7,003	\$7,220	\$5,410	\$6,901	27.5%	95.6%
International Visitor	\$103	\$104	\$107	\$36	\$60	67.9%	55.8%
Non-visitor PCE	\$63	\$67	\$69	\$71	\$67	-6.4%	96.4%
Governmental Support	\$55	\$56	\$58	\$37	\$49	31.5%	83.9%
Capital Investment	\$587	\$530	\$613	\$416	\$471	13.2%	76.8%

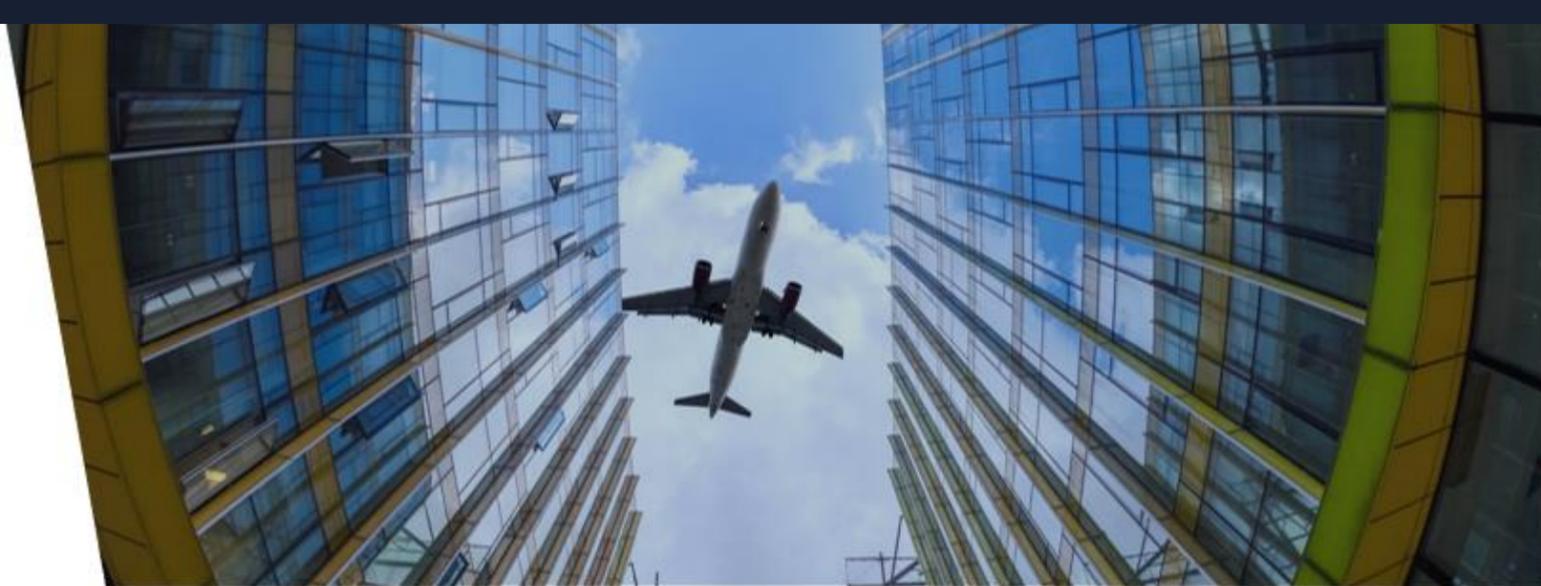
Source: Tourism Economics

### Kansas tourism demand

Percent distribution



Source: Tourism Economics



## ECONOMIC IMPACT FRAMEWORK

### ECONOMIC IMPACT METHODOLOGY

Our analysis of the Kansas visitor economy begins with direct visitor spending and analyzes the downstream effects of this spending on the broader economy. To determine total economic impact, we input direct spending into a model of the Kansas economy, constructed using an IMPLAN input-output (I-O) model. The model traces the full extent of industry impacts as dollars flow through the local economy.

An I-O model represents a profile of an economy by measuring the relationships among industries and consumers and quantifies three levels of impact:

- 1. Direct impacts:** Visitor spending creates direct economic value within a discrete group of sectors (such as recreation and transportation). This supports a relative proportion of spending, jobs, wages, and taxes within each sector.
- 2. Indirect impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts or supply-chain effects.
- 3. Induced impacts:** Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by visitor spending spend those wages in the local economy. This is called the induced impact or income effect.

The Tourism Economics model calculates these three levels of impact - direct, indirect and induced - for a broad set of indicators, including:

- Spending
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes

#### DIRECT IMPACTS

Kansas tourism's contribution measured visitor spending



RETAIL



ENTERTAINMENT/REC



FOOD & BEVERAGE



TRANSPORTATION



LODGING

#### INDIRECT IMPACTS

Purchases of inputs from suppliers  
Suppliers' own supply chains



SUPPLY CHAIN EFFECTS



B2B GOODS & SERVICES PURCHASED

#### INDUCED IMPACTS

Consumer spending out of employees' wages:



INCOME EFFECT



HOUSEHOLD CONSUMPTION

#### TOTAL IMPACTS

Direct, indirect, and induced impacts



SALES



GDP



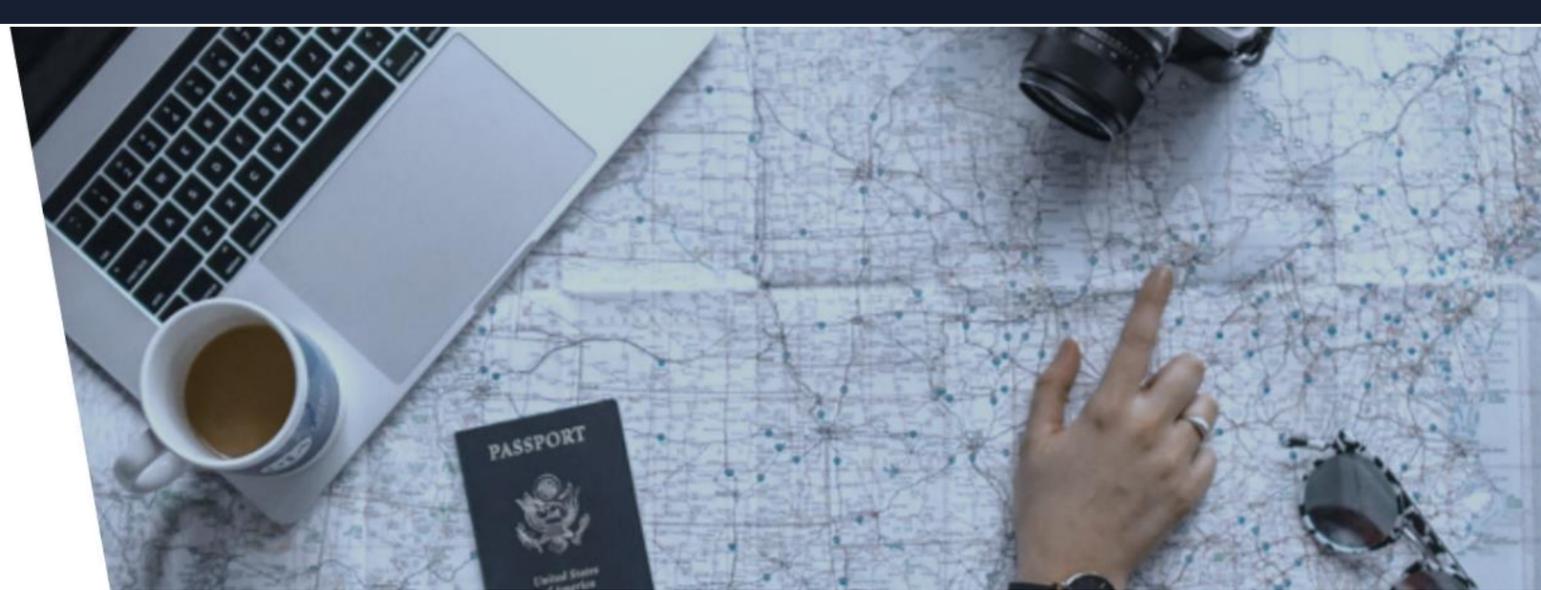
JOBS



INCOME



TAXES



## ECONOMIC IMPACT FINDINGS

### DIRECT IMPACTS

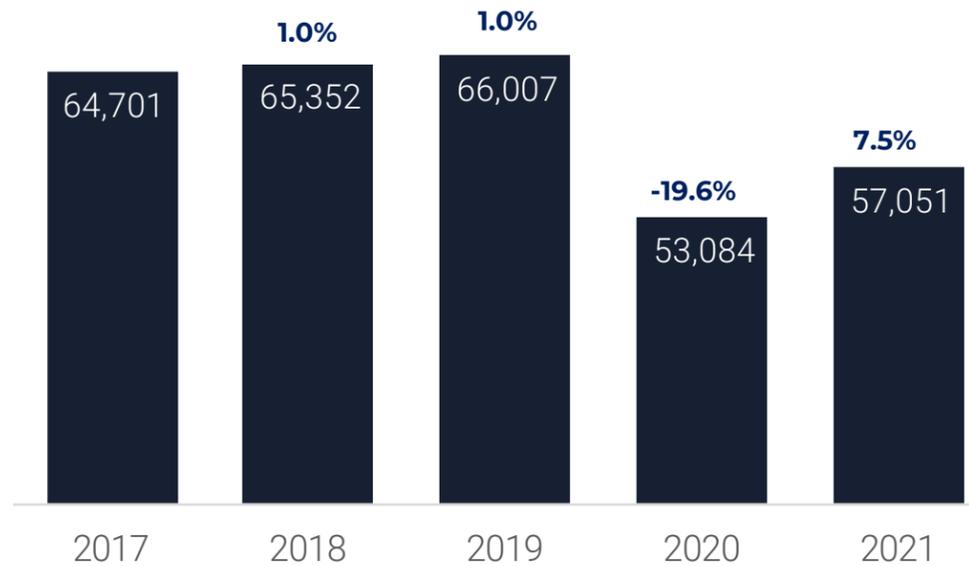
Employment supported by visitor activity rose 7.5% in 2021, rebounding to more than 57,050 jobs. The number of jobs jumped by nearly 4,000 in 2021. Despite the increase, the number of jobs directly supported by visitors remains 9,000 jobs below pre-pandemic levels.

The rebound of visitor-supported jobs has lagged spending, with visitor-supported employment levels at 86% of pre-pandemic levels compared to 95% of spending in 2021.

The evaluation of the direct impact of visitor activity allows for comparisons and rankings against other industries. Comparing employment levels, were direct visitor-associated employment to be ranked against other industries, tourism would rank 13<sup>th</sup> in the state.

### Visitor supported employment in Kansas

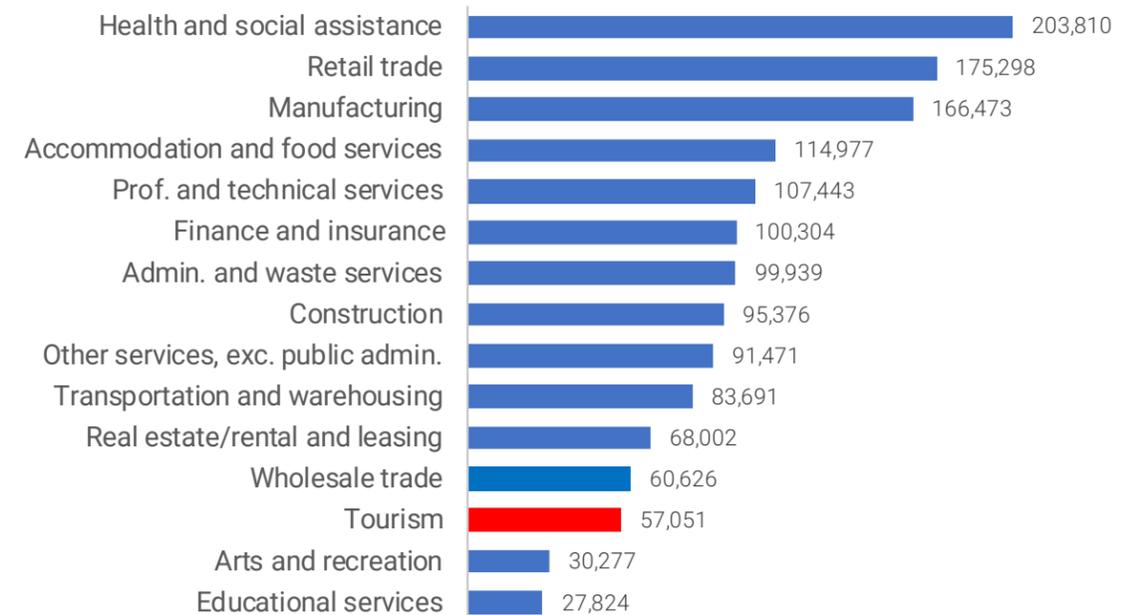
Amounts in number of jobs



Source: Tourism Economics

### Employment in Kansas, by major industry

Amounts in number of jobs



Source: BEA, BLS, Tourism Economics



# ECONOMIC IMPACT FINDINGS

## BUSINESS SALES IMPACTS

Spending on hotel rooms, restaurant meals, recreational activities and for shopping and transportation services by visitors reached \$7.5 billion in 2021. This direct impact of \$7.5 billion generated \$3.7 billion in indirect and induced impacts, resulting in a total economic impact of \$11.2 billion in the Kansas economy, 20% more than a year earlier.

The direct impact of tourism demand includes visitor spending, capital expenditures and the other spending that directly benefits the visitor experience.

Significant benefits accrue in sectors like finance, insurance, and real estate, and business services, education & health care as suppliers to the tourism industry. Companies directly interacting with visitors spent \$421 million on financial and insurance-related services in 2021 to support the visitor-related sales.

**Summary Economic impacts (2021)**

Amounts in billions of nominal dollars



Source: Tourism Economics

## Business sales impacts by industry (2021)

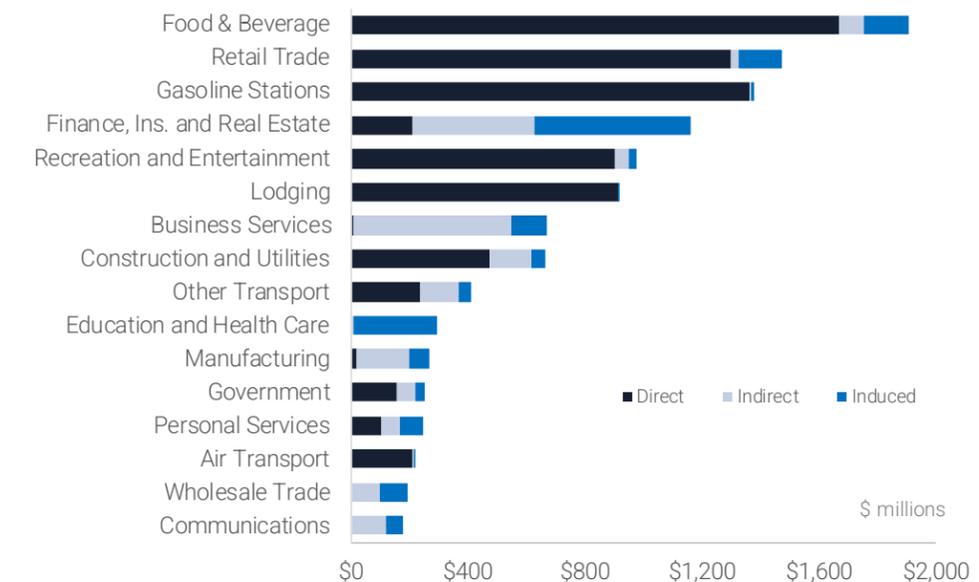
Amounts in millions of nominal dollars

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$7,547</b>	<b>\$1,972</b>	<b>\$1,726</b>	<b>\$11,244</b>
Food & Beverage	\$ 1,666	\$86	\$154	\$1,906
Retail Trade	\$ 1,297	\$30	\$146	\$1,473
Gasoline Stations	\$ 1,364	\$2	\$13	\$1,378
Finance, Ins. and Real Estate	\$ 207	\$421	\$533	\$1,161
Recreation and Entertainment	\$ 902	\$47	\$28	\$977
Lodging	\$ 911	\$1	\$1	\$913
Business Services	\$ 8	\$538	\$122	\$668
Construction and Utilities	\$ 471	\$143	\$49	\$663
Other Transport	\$ 233	\$133	\$43	\$409
Education and Health Care	-	\$6	\$287	\$293
Manufacturing	\$ 19	\$180	\$70	\$268
Government	\$ 158	\$62	\$29	\$249
Personal Services	\$ 102	\$64	\$77	\$244
Air Transport	\$ 209	\$2	\$3	\$214
Wholesale Trade	-	\$96	\$96	\$192
Communications	-	\$120	\$59	\$179
Agriculture, Fishing, Mining	-	\$41	\$16	\$57

Source: Tourism Economics

## Visitor economy business sales impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

## VALUE ADDED IMPACTS

The value of all visitor-supported goods & services produced in Kansas in 2021 for Kansas visitors was \$5.3 billion, 2.8% of the Kansas economy.

### Summary value-added impacts (2021)

Amounts in billions of nominal dollars



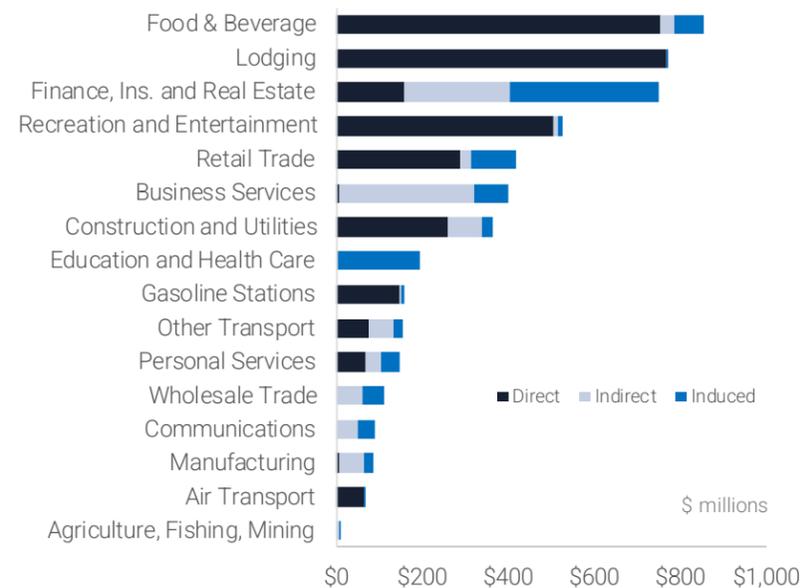
Source: Tourism Economics

The locally produced portion of visitor-supported sales in the finance & real estate industry added around \$750 million to state GDP in 2021.

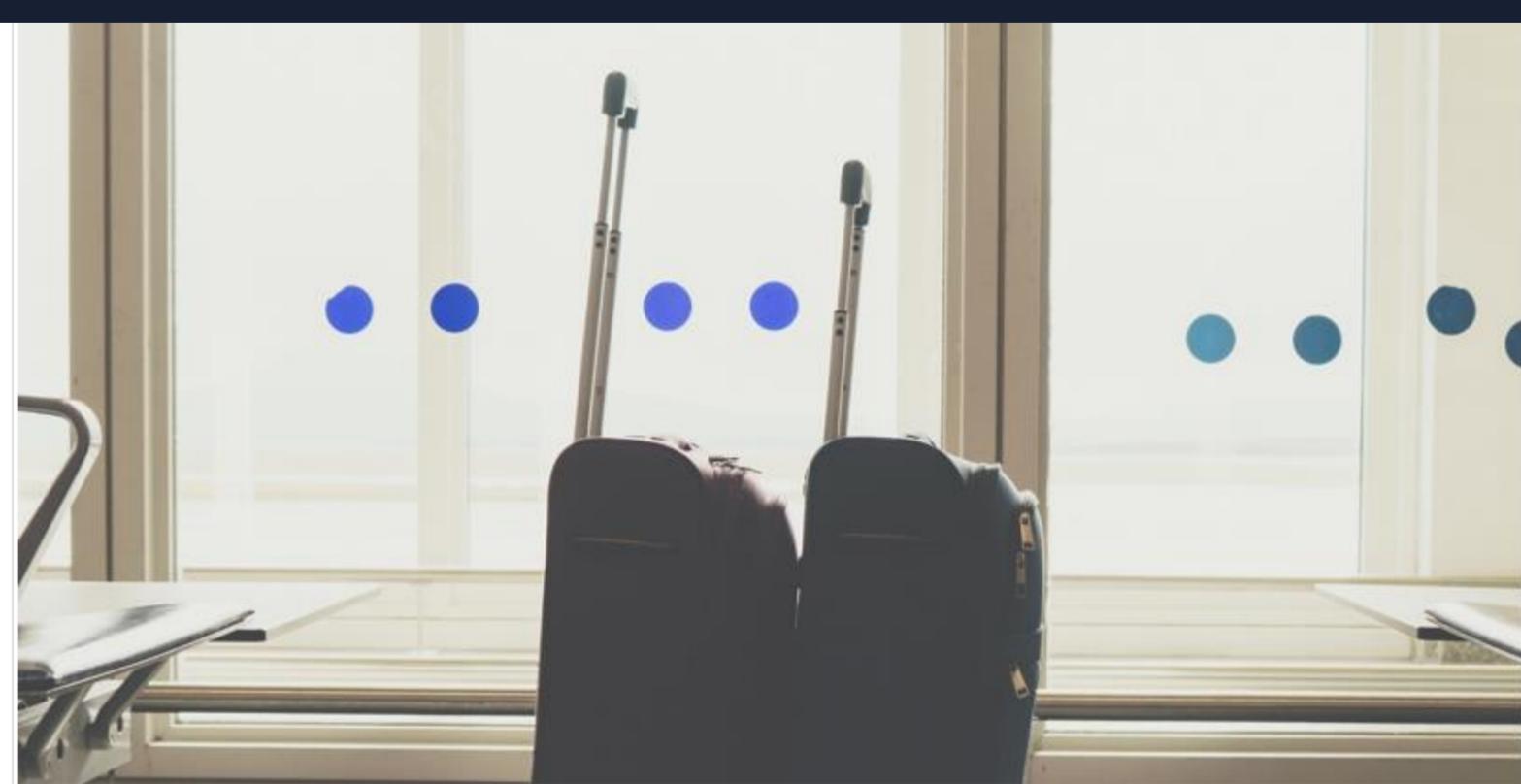
Spending by travel demand-supported workers supported \$190 million in GDP contribution in the education and health care industries, showing how tourism activity supports businesses across the industrial spectrum.

### Visitor value-added impacts by Industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics



### Summary value-added impacts by industry (2021)

Amounts in millions of nominal dollars

	Direct GDP	Indirect GDP	Induced GDP	Total GDP
<b>Total, all industries</b>	<b>\$ 3,226</b>	<b>\$ 1,015</b>	<b>\$ 1,025</b>	<b>\$ 5,267</b>
Food & Beverage	\$ 753	\$ 33	\$ 69	\$ 855
Lodging	\$ 769	\$ 1	\$ 1	\$ 770
Finance, Ins. and Real Estate	\$ 156	\$ 246	\$ 347	\$ 749
Recreation and Entertainment	\$ 505	\$ 10	\$ 12	\$ 527
Retail Trade	\$ 289	\$ 25	\$ 104	\$ 418
Business Services	\$ 6	\$ 314	\$ 80	\$ 400
Construction and Utilities	\$ 260	\$ 77	\$ 27	\$ 364
Education and Health Care	-	\$ 3	\$ 190	\$ 193
Government	\$ 132	\$ 36	\$ 14	\$ 183
Gasoline Stations	\$ 148	\$ 2	\$ 7	\$ 156
Other Transport	\$ 73	\$ 60	\$ 19	\$ 152
Personal Services	\$ 67	\$ 35	\$ 46	\$ 148
Wholesale Trade	-	\$ 59	\$ 52	\$ 111
Communications	-	\$ 50	\$ 37	\$ 88
Manufacturing	\$ 6	\$ 59	\$ 19	\$ 84
Air Transport	\$ 63	\$ 0	\$ 1	\$ 64
Agriculture, Fishing, Mining	-	\$ 4	\$ 2	\$ 7

Source: Tourism Economics

Note: Numbers may not add up due to rounding

## EMPLOYMENT IMPACTS

Visitor activity sustained 60,300 direct jobs in 2021, with an additional 24,200 jobs supported from the indirect and induced impacts of visitor activity. The total jobs impact recovered to 84,508 in 2021, one of every 22 jobs in the state.

### Summary employment impacts (2021)

Amounts in number of jobs



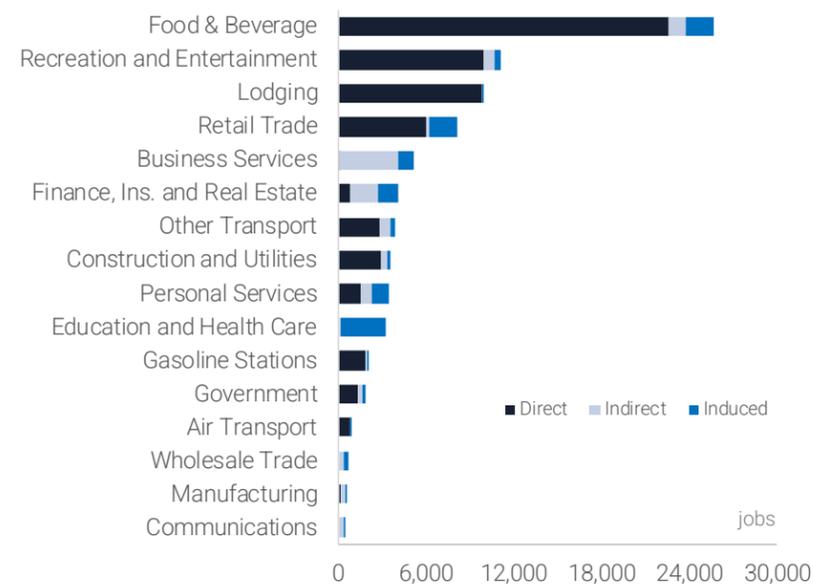
Source: Tourism Economics

With tourism a labor-intensive industry, much of the employment impact is directly from visitor activity. Visitor spending supports the largest number of jobs in the food & beverage industry (25,640), with 22,500 directly serving visitors.

Spending by businesses directly impacted by visitor spending supports 4,010 jobs in the business services industry – in areas like accounting, advertising and building services.

### Visitor job Impacts by industry (2021)

Amounts in number of jobs



Source: Tourism Economics



### Summary employment Impacts by industry (2021)

Amounts in number of jobs

	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
<b>Total, all industries</b>	<b>60,296</b>	<b>11,824</b>	<b>12,310</b>	<b>84,431</b>
Food & Beverage	22,531	1,154	1,970	25,655
Recreation and Entertainment	9,912	765	356	11,033
Lodging	9,807	9	10	9,826
Retail Trade	5,964	275	1,834	8,073
Business Services	56	4,010	1,056	5,122
Finance, Ins. and Real Estate	778	1,936	1,387	4,101
Other Transport	2,747	838	312	3,897
Construction and Utilities	2,887	491	121	3,499
Personal Services	1,534	724	1,178	3,436
Education and Health Care	-	89	3,166	3,255
Gasoline Stations	1,875	19	126	2,020
Government	1,298	354	172	1,824
Air Transport	813	6	8	827
Wholesale Trade	-	324	329	653
Manufacturing	94	397	108	599
Communications	-	358	149	507
Agriculture, Fishing, Mining	-	76	28	104

Source: Tourism Economics

## LABOR INCOME IMPACTS

Visitor activity generated \$1.9 billion in direct labor income and a total of \$3.1 billion when including indirect and induced impacts. Total tourism-generated income in Kansas in 2021 rebounded more than 10% above 2020, \$290 million more in income to Kansas households.

### Summary labor income impacts (2021)

Amounts in billions of nominal dollars

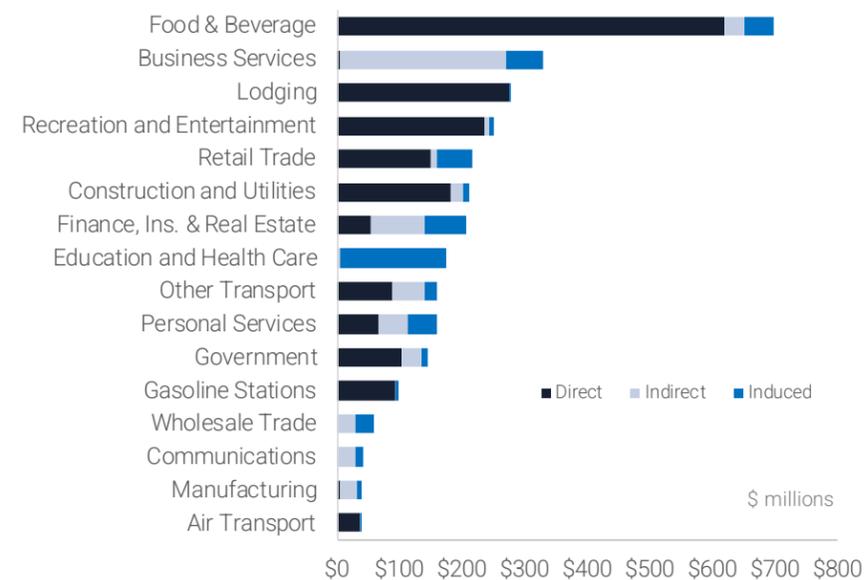


Source: Tourism Economics

There are seven industries in which visitor activity supports more than \$200 million in personal income. These range from the obvious—food & beverage and lodging, to the less obvious—business services and construction.

### Visitor labor income Impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics



### Summary labor income impacts (2021)

Amounts in millions of nominal dollars

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
<b>Total, all industries</b>	<b>\$1,907</b>	<b>\$648</b>	<b>\$557</b>	<b>\$3,112</b>
Food & Beverage	\$ 619	\$32	\$48	\$699
Business Services	\$ 4	\$265	\$60	\$330
Lodging	\$ 274	\$0	\$0	\$275
Recreation and Entertainment	\$ 235	\$8	\$8	\$251
Retail Trade	\$ 150	\$9	\$58	\$217
Construction and Utilities	\$ 181	\$21	\$8	\$210
Finance, Ins. & Real Estate	\$ 54	\$87	\$66	\$207
Education and Health Care	-	\$3	\$171	\$174
Other Transport	\$ 87	\$53	\$19	\$159
Personal Services	\$ 67	\$46	\$47	\$159
Government	\$ 103	\$31	\$10	\$144
Gasoline Stations	\$ 92	\$1	\$6	\$99
Wholesale Trade	-	\$30	\$30	\$59
Communications	-	\$29	\$13	\$42
Manufacturing	\$ 5	\$26	\$8	\$39
Air Transport	\$ 36	\$0	\$0	\$36
Agriculture, Fishing, Mining	-	\$7	\$4	\$11

Source: Tourism Economics

## ECONOMIC IMPACT FINDINGS

### FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated \$1.3 billion in government revenues.

State and local taxes alone tallied \$700 million in 2021.

Each household in Kansas would need to be taxed an additional \$613 to replace the visitor-generated taxes generated by visitor activity in Kansas and received by state and local governments in 2021.

#### Fiscal (tax) impacts

Amounts in millions of nominal dollars

	2017	2018	2019	2020	2021	2021 Growth
<b>Total Tax Revenues</b>	<b>\$1,147.7</b>	<b>\$1,178.6</b>	<b>\$1,225.9</b>	<b>\$1,084.0</b>	<b>\$1,252.4</b>	<b>15.5%</b>
<b>Federal Taxes</b>	<b>\$529.3</b>	<b>\$540.3</b>	<b>\$554.6</b>	<b>\$494.8</b>	<b>\$552.0</b>	<b>11.5%</b>
Personal Income	\$169.4	\$172.8	\$177.2	\$153.2	\$170.7	11.4%
Corporate	\$39.8	\$41.1	\$42.8	\$31.7	\$37.0	16.8%
Indirect Business	\$42.2	\$43.1	\$44.0	\$34.4	\$38.8	12.9%
Social Insurance	\$277.9	\$283.3	\$290.6	\$275.6	\$305.5	10.8%
<b>State and Local Taxes</b>	<b>\$618.4</b>	<b>\$638.3</b>	<b>\$671.3</b>	<b>\$589.1</b>	<b>\$700.5</b>	<b>18.9%</b>
Sales	\$261.7	\$269.4	\$281.2	\$261.4	\$333.9	27.7%
Bed Tax	\$45.8	\$46.6	\$48.3	\$26.8	\$38.4	43.2%
Personal Income	\$61.7	\$57.8	\$61.2	\$49.5	\$54.6	10.3%
Corporate	\$5.6	\$7.1	\$7.8	\$8.8	\$10.1	15.3%
Social Insurance	\$3.4	\$2.8	\$2.6	\$2.7	\$3.0	10.3%
Excise and Fees	\$40.8	\$43.5	\$46.1	\$25.7	\$28.5	11.1%
Property	\$199.4	\$210.9	\$224.1	\$214.3	\$231.9	8.2%

Source: Tourism Economics

Tourism-supported revenues to state government rose by nearly \$70 million, reaching \$337 million in 2021. The majority of state revenues are from sales and income taxes.

Local tax revenues from visitor activity rose to \$363 million with property taxes, sales and bed taxes supporting local governmental revenues from tourism.

#### Fiscal (tax) impacts

Amounts in millions of nominal dollars

	State	Local
<b>Total Revenues</b>	<b>\$336.8</b>	<b>\$363.7</b>
Sales	\$254.2	\$79.7
Bed Tax	\$0.0	\$38.4
Personal Income	\$54.6	\$0.0
Corporate	\$10.1	\$0.0
Social Insurance	\$3.0	\$0.0
Excise and Fees	\$14.9	\$13.7
Property	\$0.0	\$231.9

Source: Tourism Economics

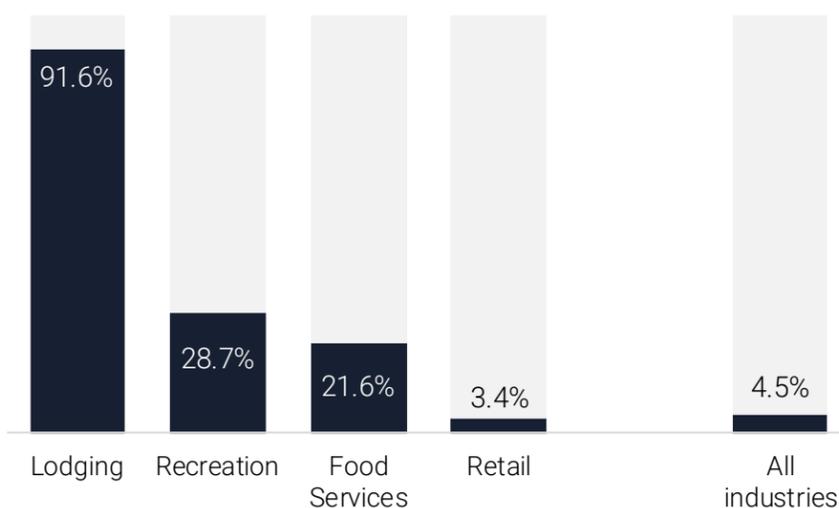
## ECONOMIC IMPACTS IN CONTEXT

Visitor activity supports a significant share of employment in several industries with 92% of lodging employment visitor-related. Visitor activity employs 29% of jobs in recreational industries and 22% of all restaurant employment.

Overall, tourism jobs accounted for 4.5% of all jobs in Kansas in 2021. As the travel recovery continues to gather force, the share of employment supported by visitors is expected to rise.

### Visitor employment intensity

Direct jobs, visitor-supported share of industry employment



Source: BEA, BLS, Tourism Economics

## ECONOMIC IMPACTS IN CONTEXT



### \$7.0B VISITOR SPENDING

Spread out equally, this equals over \$16 million per mile of I-70 in the state. It costs about \$1 million to pave a mile of road, so tourism money would pay that 16 times over.



### \$1.5B VISITOR SPENDING INCREASE

The \$1.5 billion increase in visitor spending is equal in size to the construction cost of KCI's new terminal.



### 84,508 JOBS

Were all tourism supported jobs located in one city in Kansas, it would be the 7<sup>th</sup> largest city in the state – bigger than Shawnee and just shy of Lawrence.



### \$700M STATE & LOCAL TAXES

Each household in Kansas would need to be taxed an additional \$613 to replace the visitor taxes received by the state and local governments in 2021.

## Glossary – Spending Definitions

Term	Description
<b>Lodging</b>	Includes visitor spending in the accommodation sub-sector. This includes food and other services provided by hotels, rentals and similar establishments.
<b>Food and beverage</b>	Includes all visitor spending on food & beverages, including at restaurants, bars, grocery stores and other food providers.
<b>Recreation</b>	Includes visitor spending within the arts, entertainment and recreation sub-sector.
<b>Shopping</b>	Includes visitor spending in all retail sub-sectors within the local economy.
<b>Local transport</b>	Includes visitor spending on local transport services such as taxis, limos, trains, rental cars, buses, and the local share of air transportation spending.
<b>Service stations</b>	Visitor spending on gasoline.
<b>Second homes</b>	Where applicable, spending associated with the upkeep of seasonal second homes for recreational use as defined by the Census Bureau.

## Glossary – Economic Impact Definitions

Term	Description
<b>Direct Impact</b>	Impacts (business sales, jobs, income, and taxes) created directly from spending by visitors to a destination within a discreet group of tourism-related sectors (e.g. recreation, transportation, lodging).
<b>Indirect Impact</b>	Impacts created from purchase of goods and services used as inputs (e.g. food wholesalers, utilities, business services) into production by the directly affected tourism-related sectors (i.e. economic effects stemming from business-to-business purchases in the supply chain).
<b>Induced Impact</b>	Impacts created from spending in the local economy by employees whose wages are generated either directly or indirectly by visitor spending.
<b>Employment</b>	Jobs directly and indirectly supported by visitor activity (includes part-time and seasonal work). One job is defined as one person working at least one hour per week for fifty weeks during the calendar year.
<b>Labor income</b>	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
<b>Value Added (GDP)</b>	The economic enhancement a company gives its products or services before offering them to customers.
<b>Local Taxes</b>	City and County taxes generated by visitor spending. This includes any local sales, income, bed, usage fees, licenses and other revenues streams of local governmental authorities – from transportation to sanitation to general government.
<b>State Taxes</b>	State tax revenues generated by visitor spending. This will include sales, income, corporate, usage fees and other assessments of state governments.

# ABOUT TOURISM ECONOMICS

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, state, and city coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, London, Frankfurt, Ontario, and Sydney.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 400 full-time staff, including 300 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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