

January 2024



2022 ECONOMIC CONTRIBUTION OF TOURISM IN MORGAN COUNTY

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 Morgan County was conducted by Rockport Analytics, an independent market & economic research firm.

Methodology

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

The economic impacts reported in this study are based on traveler spending as reported in the 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)

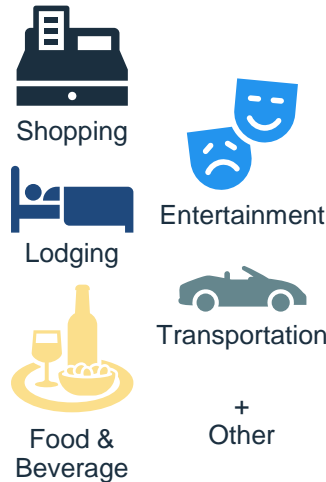
An economic model of Indiana is also critical to estimating how traveler spending resounds through the state and county-level economies. Rockport Analytics has chosen the IMPLAN model for Morgan County (www.implan.com), a non-proprietary economic model that is the defacto standard for most economic impact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

IMPLAN also to measure how much of each tourism dollar remains in the local economy. Total traveler spending generally exceeds the direct impact of tourism. This is because not all goods and services purchased by travelers are supplied by firms located in 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.

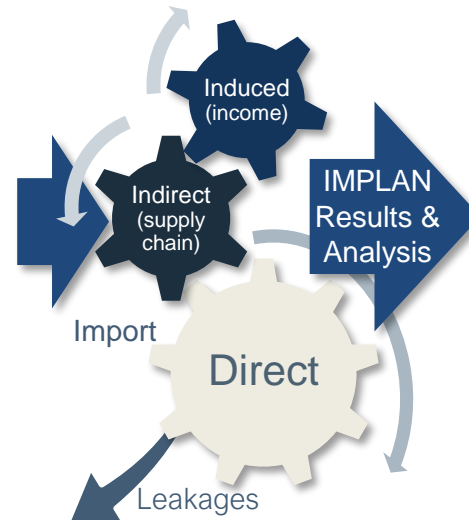
Tourism-Supported Activity



Visitor Spending



IMPLAN Model

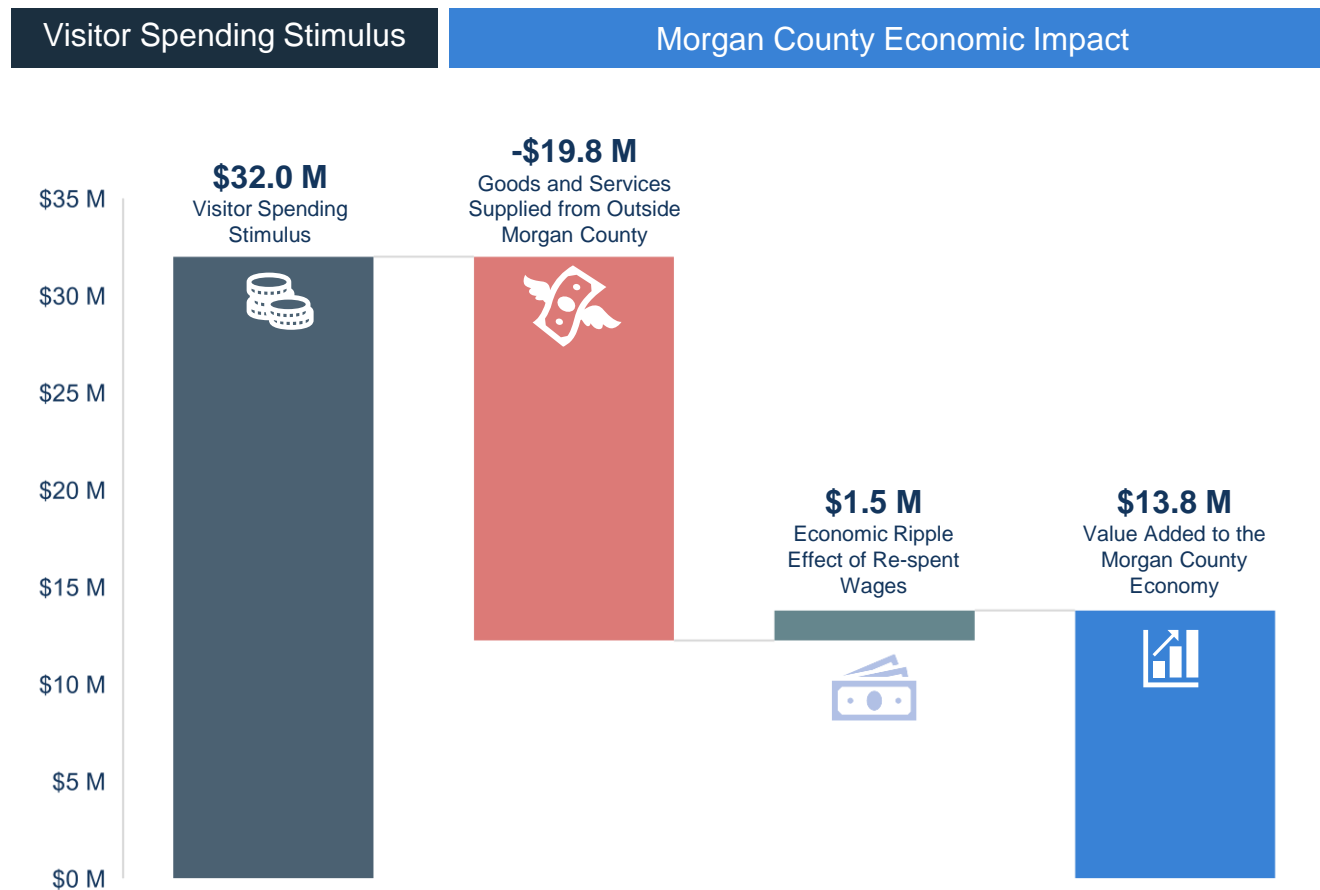


Total Economic Impact

Value-Added (GDP)	Wages & Comp
Jobs	Taxes

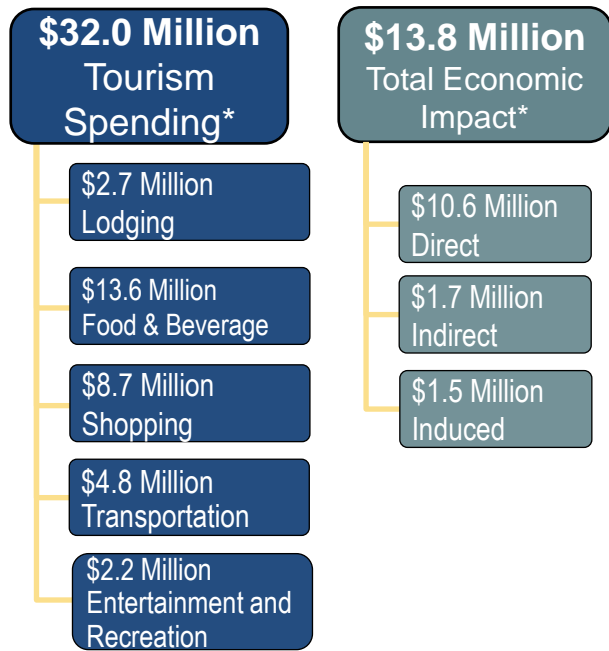
Morgan County Tourism Generated \$13.8 Million in GDP in 2022

Visitors to Morgan County spent \$32.0 million on various goods and services in the state. This spending stimulus generated \$13.8 million in net new value added to the Morgan County economy.



2022 Morgan County Tourism Highlights

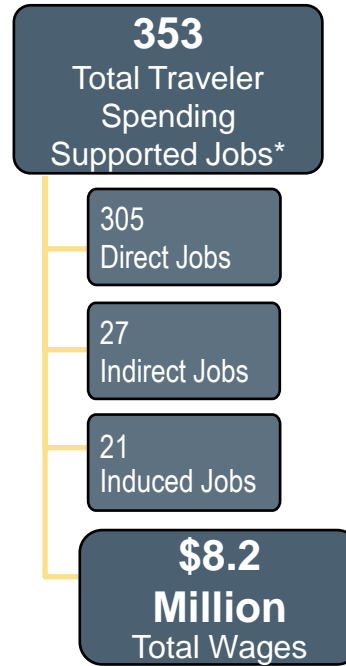
Tourism and Impact



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".

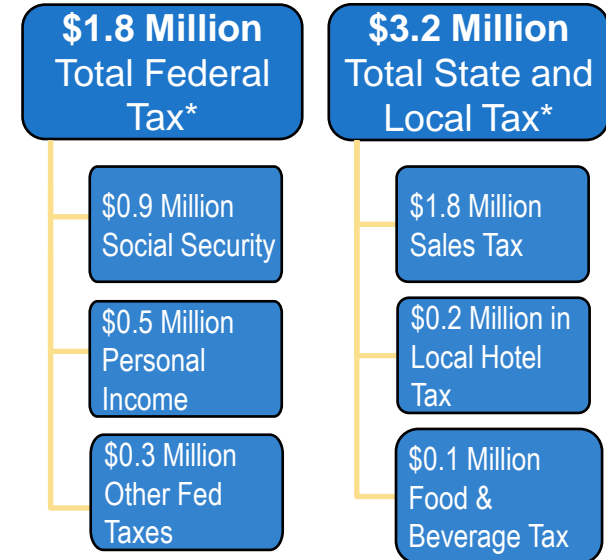
For every dollar spent by Morgan County visitors in 2022, **43 cents** 'stayed' local and contributed directly to the gross county product of Morgan County. This includes impact on the **direct** (tourism-oriented), **indirect** (supply chain) and **induced** (income) industries. The remaining **57 cents** of every dollar is 'leaked' to the supply chain outside of Morgan County.

Jobs and Wages



Every **\$90,741** spent by people visiting Morgan County in 2022 supported a job, resulting in an average of **\$23,122** 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 Morgan County visitors in 2022, **6 cents** goes to federal taxes and **10 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.

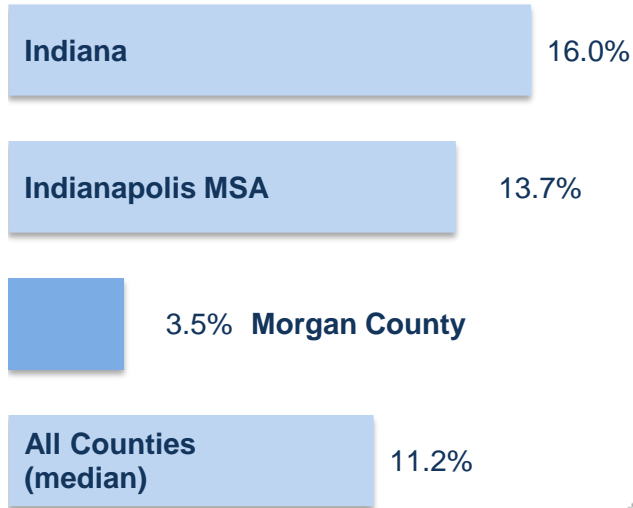
**totals may vary due to rounding methods*

Morgan County Tourism: In Comparison

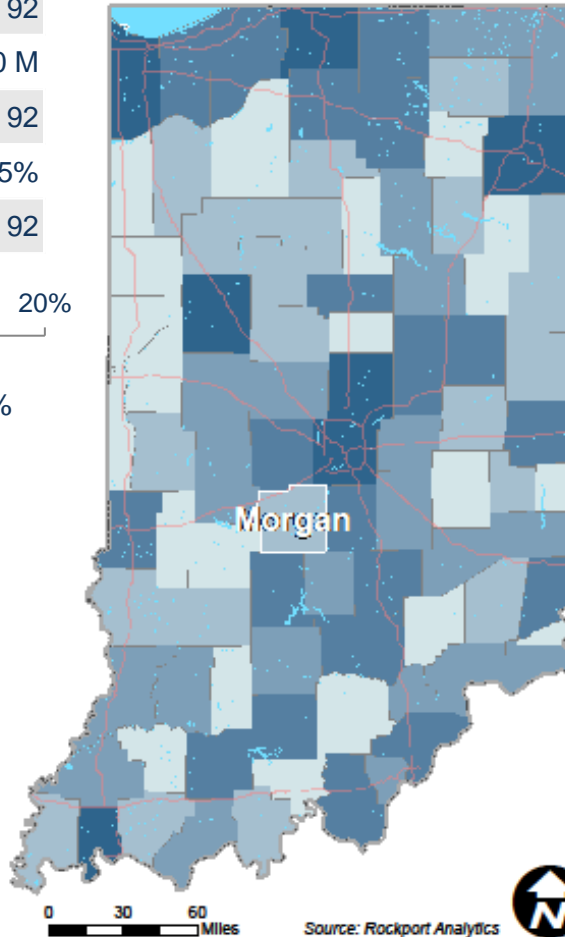
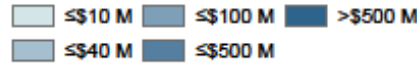
Morgan County 2022 Tourism Report Card

Tourism Sales Per Capita	\$448.22
Tourism Spend Per Capita Ranking	#71 of 92
2022 Spending by Visitors (Millions)	\$32.0 M
County Ranking of Tourism Spend	#53 of 92
2022 Tourism Spending Growth	3.5%
2022 Tourism Growth Ranking	#78 of 92

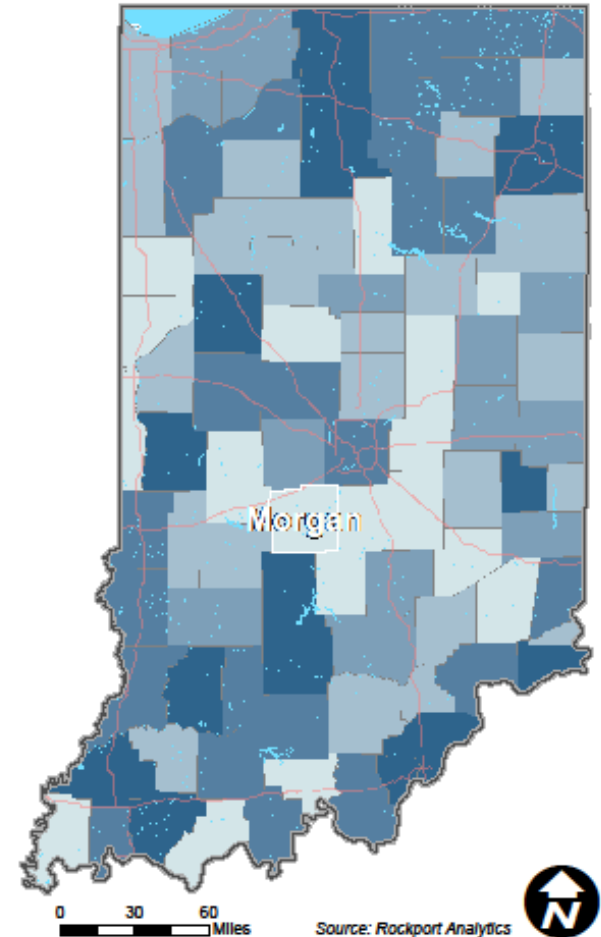
0% 5% 10% 15% 20%



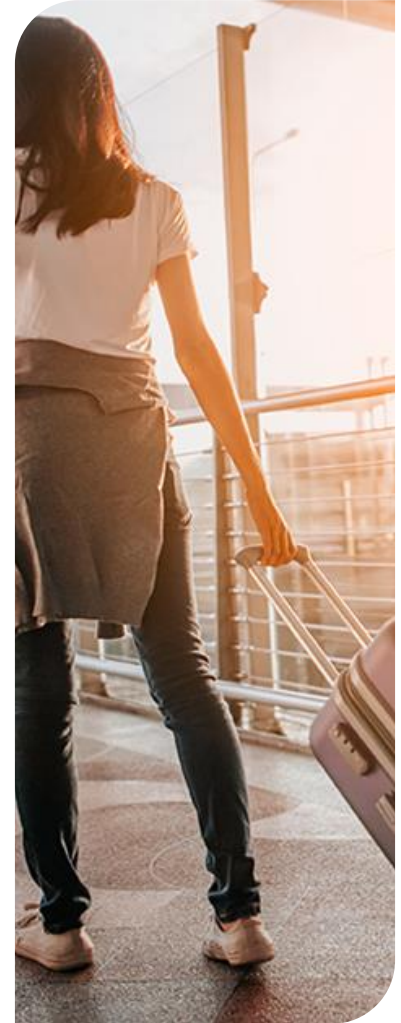
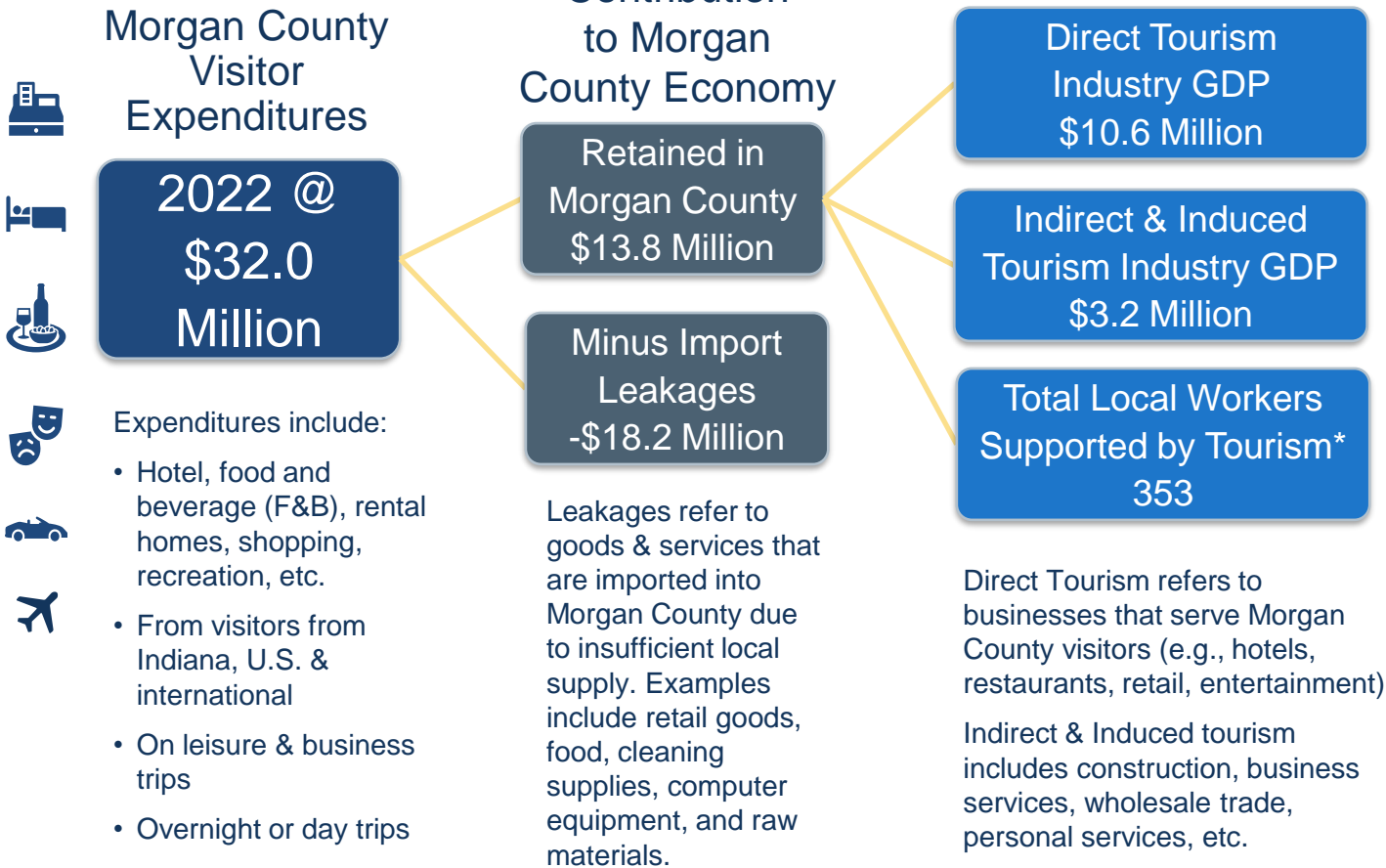
Total Spending by County, 2022



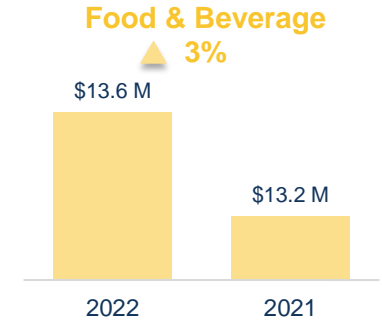
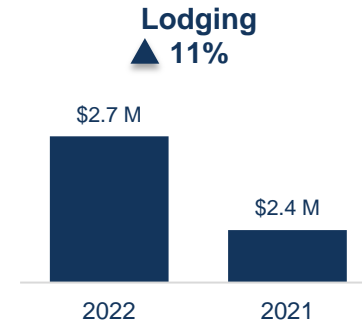
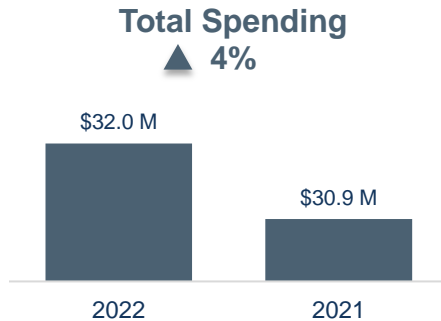
Spending Growth by County, 2022



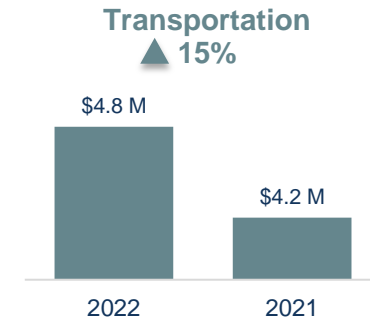
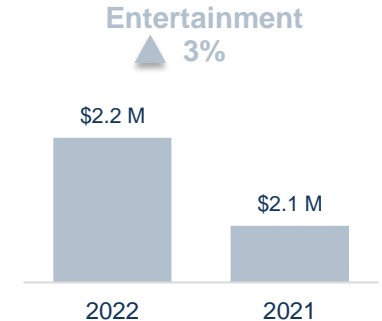
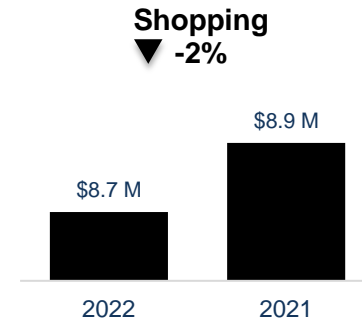
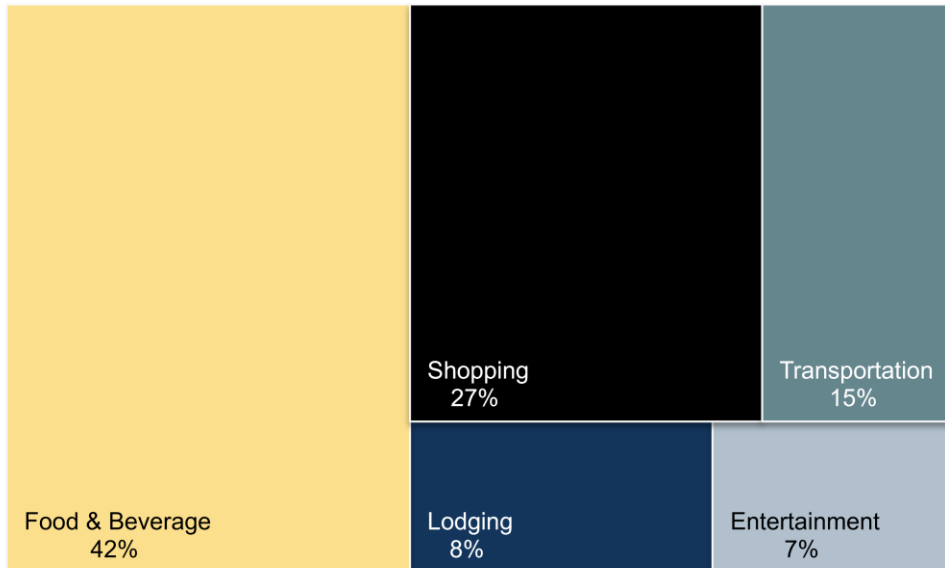
The Progression of Tourism Spending in Morgan County's Economy



Visitor Spending by Category



Distribution of Spending



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

Tourism's Bottom Line in Morgan County

2022 Economic Contribution Summary (Compared to 2021)

2022 Metric	Direct	Indirect	Induced	Total
Total Spending				\$32,000,183
<i>2022 Y/Y Growth</i>				<i>3.5%</i>
Economic Impact (GDP)	\$10,568,705	\$1,680,865	\$1,542,558	\$13,792,128
<i>2022 Y/Y Growth</i>	<i>2.6%</i>	<i>3.7%</i>	<i>2.6%</i>	<i>2.7%</i>
Wages	\$6,531,901	\$927,196	\$694,925	\$8,154,022
<i>2022 Y/Y Growth</i>	<i>2.4%</i>	<i>3.8%</i>	<i>2.6%</i>	<i>2.6%</i>
Jobs	305	27	21	353
<i>2022 Y/Y Growth</i>	<i>0.8%</i>	<i>2.1%</i>	<i>0.9%</i>	<i>0.9%</i>
Tax Receipts				\$4,983,764
<i>2022 Y/Y Growth</i>				<i>2.8%</i>

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

Morgan County Tourism: 2022 Economic Impact (Value Added/GDP in thousands)

Industry (NAICS)*	Direct	Indirect	Induced	Total
Food Services & Drinking Places	\$6,264	\$88	\$94	\$6,445
Retail Trade	\$2,281	\$39	\$242	\$2,562
Accommodations	\$1,088	\$0	\$0	\$1,089
Arts, Entertainment & Rec	\$935	\$6	\$10	\$951
Real Estate & Rental	\$0	\$246	\$499	\$745
Utilities	\$0	\$274	\$68	\$343
Finance & Insurance	\$0	\$133	\$128	\$261
Administrative & Waste Services	\$0	\$220	\$36	\$256
Health & Social Services	\$0	\$0	\$221	\$222
Government	\$0	\$174	\$26	\$200
Professional Services	\$0	\$160	\$28	\$189
Other Services	\$0	\$80	\$79	\$159
Wholesale Trade	\$0	\$60	\$50	\$111
Construction	\$0	\$87	\$21	\$108
Information	\$0	\$52	\$14	\$66
Transportation & Warehousing	\$0	\$26	\$8	\$34
Manufacturing	\$0	\$25	\$2	\$27
Educational Services	\$0	\$3	\$13	\$16
Ag, Forestry, Fish & Hunting	\$0	\$5	\$2	\$6
Management of Companies	\$0	\$2	\$0	\$2
Mining	\$0	\$1	\$0	\$1
Total - 2022	\$10,569	\$1,681	\$1,543	\$13,792
Total - 2021	\$10,300	\$1,622	\$1,503	\$13,425
% change	2.6%	3.7%	2.6%	2.7%

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

Tourism Supports Morgan County Jobs

Morgan County Tourism: 2022 Economic Impact (Employment)

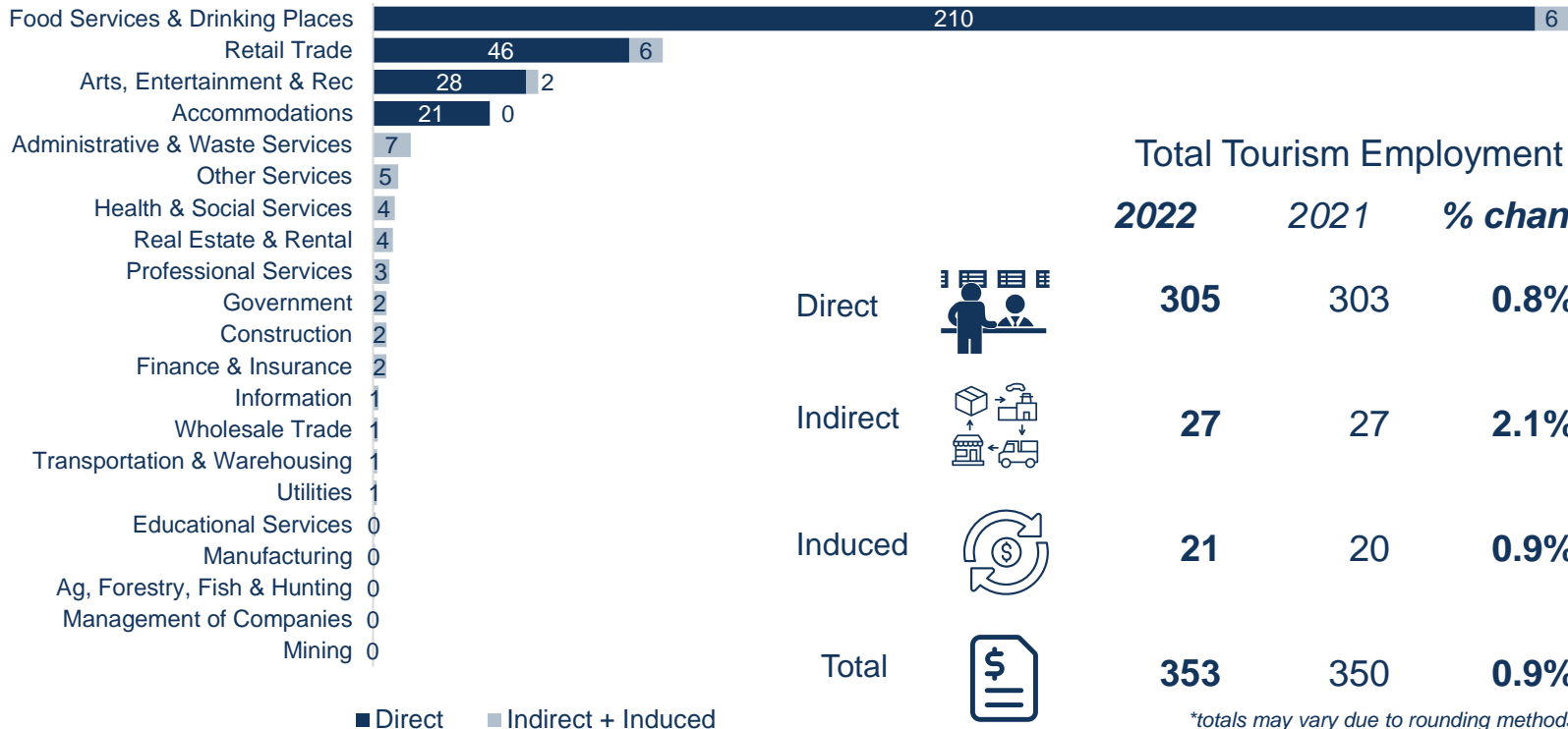
Industry (NAICS)*	Direct	Indirect	Induced	Total
Food Services & Drinking Places	210	3	3	216
Retail Trade	46	1	5	52
Arts, Entertainment & Rec	28	2	0	30
Accommodations	21	0	0	21
Administrative & Waste Services	0	6	1	7
Other Services	0	2	2	5
Health & Social Services	0	0	4	4
Real Estate & Rental	0	3	1	4
Professional Services	0	3	0	3
Government	0	2	0	2
Construction	0	2	0	2
Finance & Insurance	0	1	1	2
Information	0	1	0	1
Wholesale Trade	0	0	0	1
Transportation & Warehousing	0	1	0	1
Utilities	0	1	0	1
Educational Services	0	0	0	0
Manufacturing	0	0	0	0
Ag, Forestry, Fish & Hunting	0	0	0	0
Management of Companies	0	0	0	0
Mining	0	0	0	0
Total - 2022	305	27	21	353
Total - 2021	303	27	20	350
% change	0.8%	2.1%	0.9%	0.9%

*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.

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



Tourism Industry Ranking in Morgan County

2022 Tourism in Morgan County: Ranking of Major Industries By Total Employment

Rank	Industry	2022 Reported*	2022 Tourism Extracted**	% of Total	2022 % Growth
1	Government	2,836	2,836	16.7%	1.5%
2	Manufacturing	2,500	2,500	14.7%	3.3%
3	Retail trade	2,037	1,991	11.7%	-0.5%
4	Health & Social Services	1,961	1,961	11.5%	4.1%
5	Accommodation & Food Services	1,752	1,521	8.9%	9.2%
6	Construction	1,388	1,388	8.1%	4.0%
7	Other Services	892	892	5.2%	5.7%
8	Administrative & Waste Services	823	823	4.8%	3.7%
9	Finance & Insurance	579	579	3.4%	3.6%
10	Professional Services	526	526	3.1%	10.7%
11	Wholesale Trade	486	486	2.9%	6.6%
12	Transportation & Warehousing	319	319	1.9%	15.2%
13	Tourism	-	305	1.8%	0.8%
14	Utilities	213	213	1.3%	1.4%
15	Management of Companies	209	209	1.2%	9.4%
16	Real Estate	161	161	0.9%	3.2%
17	Educational Services	116	116	0.7%	7.4%
18	Arts, Entertainment & Recreation	118	90	0.5%	12.4%
19	Information	66	66	0.4%	1.5%
20	Mining	50	50	0.3%	4.2%
	Total County Employment	17,032	17,032	100.0%	4.0%

*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 Morgan County's Tourism Industry

Tourism Increases Local Wages

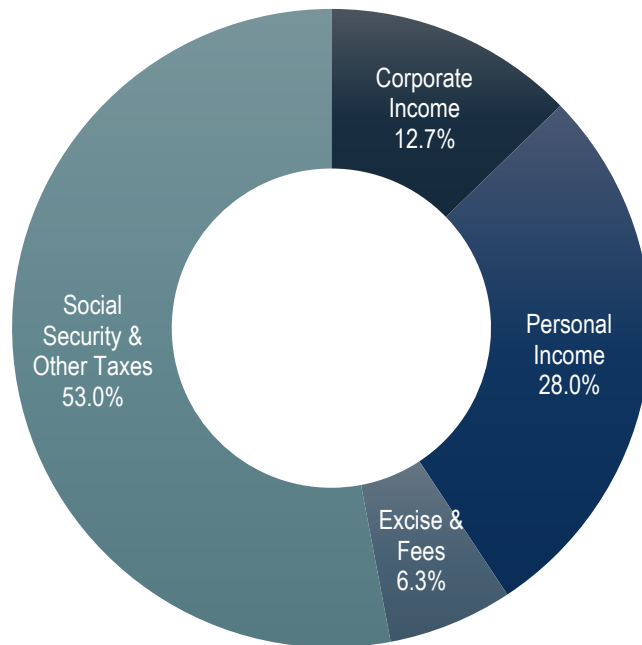
Morgan County Tourism: 2022 Labor Income (in thousands)

Industry (NAICS)*	Direct	Indirect	Induced	Total
Food services & drinking places	\$4,275	\$60	\$64	\$4,399
Retail trade	\$1,304	\$25	\$152	\$1,481
Accommodations	\$597	\$0	\$0	\$598
Arts- entertainment & recreation	\$355	\$11	\$5	\$371
Administrative & waste services	\$0	\$178	\$29	\$207
Health & social services	\$0	\$0	\$196	\$196
Government & non NAICs	\$0	\$168	\$21	\$189
Other services	\$0	\$73	\$78	\$151
Professional- scientific & tech services	\$0	\$95	\$19	\$114
Construction	\$0	\$76	\$13	\$89
Utilities	\$0	\$67	\$18	\$85
Finance & insurance	\$0	\$41	\$37	\$78
Wholesale Trade	\$0	\$34	\$28	\$62
Information	\$0	\$34	\$5	\$39
Real estate & rental	\$0	\$23	\$12	\$35
Transportation & Warehousing	\$0	\$17	\$5	\$22
Manufacturing	\$0	\$19	\$2	\$20
Educational services	\$0	\$2	\$9	\$11
Ag, Forestry, Fish & Hunting	\$0	\$3	\$1	\$4
Management of companies	\$0	\$1	\$0	\$1
Mining	\$0	\$0	\$0	\$1
Total - 2022	\$6,532	\$927	\$695	\$8,154
Total - 2021	\$6,376	\$893	\$677	\$7,946
% change	2.4%	3.8%	2.6%	2.6%

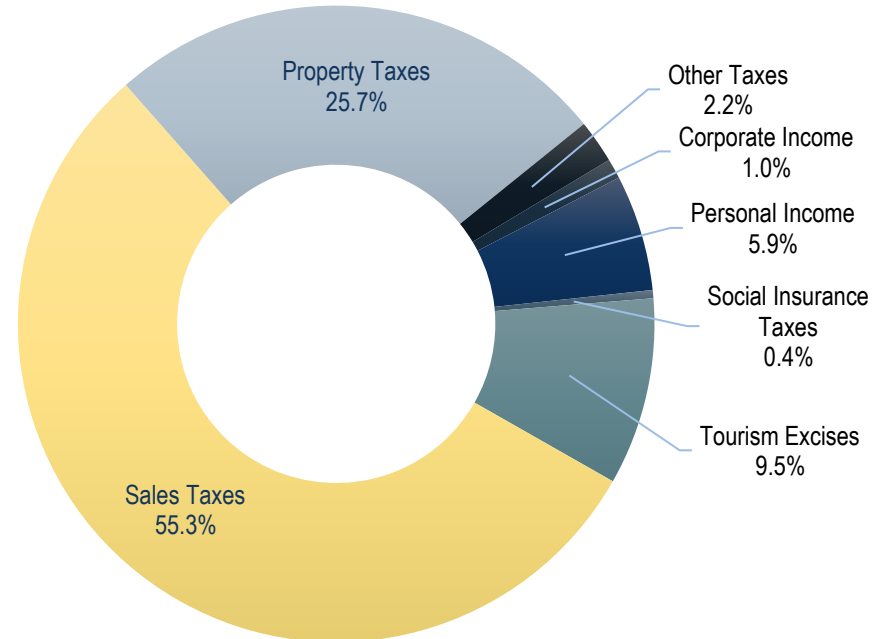
*North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov

Morgan County Visitors Support Many Types of Taxes

Federal Taxes
2022 Tax Total: \$1.8 Million



State & Local Taxes
2022 Tax Total: \$3.2 Million



2022 Total Tourism-Initiated Taxes: **\$5.0 Million**

Tourism Generated \$5.0 Million in Taxes

Morgan County visitors supported \$5.0 million in total taxes in 2022, up 2.8% from 2021. Federal tax collections resulting from tourism in Morgan County include income taxes and social security and totaled \$1.8 million in 2022. State & local tax collections totaled \$3.2 million, including \$1.8 million in sales taxes and \$0.8 million in local property taxes.

	2021	2022	% Change
Federal: US			
Corporate Income	\$218,850	\$225,404	3.0%
Personal Income	\$482,455	\$495,188	2.6%
Excise & Fees	\$108,754	\$111,787	2.8%
Social Security & Other Taxes	\$915,522	\$937,695	2.4%
Federal Total	\$1,725,581	\$1,770,074	2.6%
State & Local			
Corporate Income	\$31,672	\$32,621	3.0%
Personal Income	\$184,644	\$189,517	2.6%
Social Insurance Taxes	\$13,018	\$13,320	2.3%
Tourism Excises			
Hotel Tax	\$143,957	\$170,309	18.3%
Food & Beverage	\$132,130	\$135,637	2.7%
Rental Car Excise	\$0	\$0	-
Sales Taxes	\$1,744,193	\$1,776,364	1.8%
Property Taxes	\$802,950	\$825,341	2.8%
Other Taxes	\$68,544	\$70,581	3.0%
State & Local Tax Total	\$3,121,108	\$3,213,690	3.0%
Total County Tourism-Initiated Taxes	\$4,846,689	\$4,983,764	2.8%

Sources: IMPLAN, Rockport Analytics

Putting the Benefits of Morgan County Tourism in Perspective

Promoting a Healthy Job Market



Approximately 1.8% of all people working in Morgan County are supported by visitors to the county. Morgan County tourism supported 353 jobs. Of those, 3.5 were directly employed in a tourism-related job. Tourism is the 13th largest industry (12th not including Government) in Morgan County (by jobs).

Benefiting County Businesses



Visitors generated top-line sales totaling \$13.8 million benefiting a broad array of local businesses. Businesses that directly served visitors saw value-added of \$10.6 million in 2022, up 2.6% from 2021. In 2022, tourism supply chain businesses received value-added of more than \$1.7 million.

Contributing to Public Education & Other Government Services



State & local (S&L) tax revenue collected from tourism in Morgan County is sufficient to fund 252 Indiana public school students. S&L tax collections were enough to fund roughly 60 Indiana public school teachers.

Capturing and Retaining Dollars Spent by Visitors



Of every dollar spent by visitors to Morgan County, 43¢ in economic impact is returned to the local area. Of every dollar spent by visitors to Morgan County, 25¢ went toward paying the salaries of 353 area citizens.

Helping to Relieve the Tax Burden of County Households



About 10 cents of each visitor dollar went towards the payment of state and local taxes (S&L). If tourism did not exist, each of the 27,138 households in Morgan County would have to pay an additional \$118 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