

**CHARACTERISTICS AND ECONOMIC IMPACT OF THE TUCSON  
GEM, MINERAL & FOSSIL SHOWCASE TRACKING STUDY**

February 2019

***Executive Summary***

**Study Objectives and Methodology** – This document summarizes key findings from a research project conducted by FMR Associates for Visit Tucson concerning the 2019 Tucson Gem, Mineral & Fossil Showcase. The principal objective of this tracking project was to profile and measure the specific economic and tax revenue impacts that benefit Pima County by hosting the annual Showcase among its three major constituencies: Owners, Exhibitors and Buyers. The results of this study were compared to previous projects conducted by FMR Associates in 2000, 2007 and 2014.

To accomplish the objectives of this project, a total of 1,515 surveys were conducted with Owners, Exhibitors and Buyers at each of the 48 shows that comprise the 2019 Showcase.

**2019 Tucson Gem, Mineral & Fossil Showcase Overview** – The 2019 Showcase encompassed 48 individual shows and an estimated 4,882 Exhibitors (up from 40 shows and 4,480 Exhibitors in 2014). The 2019 total gate attendance was estimated to include 457,259 Buyers, each of whom visited 6.97 shows (on average) – for a projected attendance of 65,604 unique persons (up from 49,802 in 2014). Dividing unique persons by total shows yields an average unique persons per show attendance of 1,366 (up 9.7% from 1,245 in 2014).

Consistent with 2014 findings, 53.7% of Buyers traveled from out of town to attend the 2019 Showcase. Consequently, 2019 attendance was comprised of more out-of-town (35,229) than local (Tucson area residents) (30,375) Buyers. Out-of-town Buyers traveled to Tucson from 42 different states (as well as Puerto Rico) and 17 foreign countries. Exhibitors traveled from 45 states (including the District of Columbia) and 42 foreign countries.

**2019 Tucson Gem, Mineral & Fossil Showcase Expenditures** – We estimate a total of \$131,426,030 in direct expenditures resulting from the 2019 Tucson Gem, Mineral & Fossil Showcase. This represents growth of 9.0% from \$120,534,732 in 2014. Once again, Lodging is the largest individual expenditure category (\$45,831,096) – followed by Food & Beverage (\$27,154,625).

**Comparative 2019 - 2014 Direct Expenditure Estimates by Segment**

|               | 2019                 | 2014                 |              |
|---------------|----------------------|----------------------|--------------|
| Owners        | \$10,747,332         | \$22,960,253         |              |
| Exhibitors    | \$31,441,047         | \$27,168,390         |              |
| Buyers        | \$89,237,651         | \$70,406,089         |              |
| <b>TOTALS</b> | <b>\$131,426,030</b> | <b>\$120,534,732</b> | <b>+9.0%</b> |

Buyers represent the largest segment of 2019 direct expenditures (\$89,237,651 or 67.9% of the total) – with strong growth (compared to 2014) in the categories of Lodging, Food & Beverage, Entertainment and Transportation. Exhibitors (\$31,441,047 or 23.9% of the total) also experienced growth in Food & Beverage, along with Retail Shopping (not related to the Showcase). Despite much lower spending in the categories of Equipment/Staging Rentals and Facilities, Owners (\$10,747,332 or 8.2% of the total) recorded higher Security and Lodging expenditures. There was a new category added to the 2019 study, Entertaining Buyers, with Owners and Exhibitors reporting combined expenditures of \$2,234,849.

**Tucson Gem, Mineral & Fossil Showcase Owners** – Based on 48 shows, the average expenditure per show (taking into account both travel-related and show management expenses) is \$223,903. About one-third of Owners live in the Tucson area. Out-of-town Owners are more likely to travel to Tucson by air than drive, and their average length of stay in Tucson (before, during and after the 2019 Showcase) is 26.6 days. The average travel party size is 4.6 persons. Three of four out-of-town Owners indicate that they and the members of their travel party stay in a hotel/resort/motel (61%) or Airbnb/VRBO (13%).

Three of four Owners report their 2019 sales are “better” than or “the same” as 2018, with most of the rest (16%) “not sure” (or who say this is their “first time” in Tucson).

Fully 87% of Owners indicate that the Tucson Gem, Mineral & Fossil Showcase is the largest event they operate at annually. An even larger share of Owners (97%) indicate that they plan to operate their show(s) again at the 2020 Showcase. (None say they do *not* plan to return in 2020; instead, one Owner is not sure.)

**Tucson Gem, Mineral & Fossil Showcase Exhibitors** – Nearly nine of ten (88%) are repeat Exhibitors, having participated in an average of 14 past Showcases. And 86% plan to return in 2020 (with another one of ten unsure). The average 2019 expenditure per Exhibitor is \$6,440 for travel and show related expenses. Exhibitors displayed their goods (on average) at 1.8 Showcase events.

Fully nine of ten Exhibitors travel from elsewhere to participate in the 2019 Showcase, with slightly more who drive than fly to Tucson. Two-thirds of out-of-town Exhibitors stayed in a hotel/resort/motel (50%) or Airbnb/VRBO (17%) while attending the 2019 Showcase – staying in Tucson (on average) for 19.2 days, with a 3.3 person travel party size.

What other activities (besides their Showcase business) did out-of-town Exhibitors engage in during their time in Tucson? Among the 44% who did something else, the largest share enjoyed some retail shopping (44%), followed by sightseeing/tours (34%), visiting attractions (32%), hiking or cycling (28%), visiting family/friends (24%) and/or gambling (12%).

Two of ten out-of-town Exhibitors also report extending their stay in Tucson while participating in the 2019 Showcase – for an average of 6.9 days, with most (54%) staying in a hotel/motel/resort (33%) or Airbnb/VRBO (21%). In addition, three of ten out-of-town Exhibitors plan to return to Tucson in the next two years as a visitor (not related to their Showcase business).

More than eight of ten Exhibitors (83%) indicate that the Tucson Gem, Mineral & Fossil Showcase is the largest event they operate at annually.

**Tucson Gem, Mineral & Fossil Showcase Buyers** – The average past Showcase attendance among Buyers is 9.6 years. In 2019, Buyers attended an average of seven different shows.

The average expenditure per out-of-town 2019 Buyer (for items including lodging, food/beverage, entertainment, in-town transportation and retail shopping) is \$2,533. Out-of-town Buyers were equally apt to travel to Tucson by vehicle (50%) or air (49%). More than six of ten (62%) stayed in a hotel/resort/motel (45%) or Airbnb/VRBO (17%), while one of four stayed with family or friends. The average length of stay among out-of-town Buyers is 9.2 days, with a 2.4 person travel party size.

Seven of ten out-of-town Buyers engaged in other activities (besides the Showcase) during their stay in Tucson – including sightseeing trips (45%), visiting family and friends (43%), visiting attractions (36%), retail shopping (34%), hiking (33%) and/or gambling (13%). In addition, 16% say they extended their trip to Tucson, with an average stay of 6.9 days. Another 36% say they will return to Tucson in the next two years for a visit (not related to their Showcase attendance).

Fully 99% of Buyers purchased one or more items on-site at the shows, most often Gems/Jewelry and/or Rocks/Minerals/Fossils. Among international Buyers, two-thirds report cumulative on-site purchases in excess of \$10,000.

Both in-town and out-of-town Buyers utilized the City of Tucson's Gem Ride shuttle (16% overall), and nearly all (98%) riders indicate that it was "helpful."

Most Buyers (55%) report that they visited TucsonGemShow.org (Visit Tucson's informational website about the Showcase) prior to or during the 2019 event. Among website users, fully 97% say that the information provided on the site was "helpful" to them.

Nearly two of ten Buyers (18%) indicate that they used the Showcase Android or iPhone app, created by Visit Tucson, prior to and during the 2019 event. Again, the overwhelming majority of users (94%) declare that the information provided on the app was "helpful."

Almost nine of ten of Buyers (86%) say they will return to Tucson for the 2020 Showcase (with most of the rest unsure of their plans).

**Room Nights and Lodging Rate Estimates** – We estimate that the 2019 Showcase generated 281,904 total room nights (including hotel, resort, motel, Airbnb and VRBO stays) between Owners (1,398), Exhibitors (71,961) and out-of-town Buyers (208,545). The overall average nightly room rate paid was \$156.50, higher among Owners (\$173.92) as compared to Exhibitors (\$159.80) and out-of-town Buyers (\$151.28).

**Tax Revenue Estimates** – We estimate that \$13,028,205 in local taxes (including sales, bed and rental car taxes) were paid on \$122,866,042 of taxable expenditures made by Owners, Exhibitors and Buyers at the 2019 Tucson Gem, Mineral & Fossil Showcase. Compared to 2014, these totals represent 21.5% growth in tax revenues (from \$10,721,985) and 11.5% in taxable expenditures (from \$110,180,378).

**Comparative 2019 - 2014 Tax Revenue Estimates by Segment**

|               | <b>2019</b>         | <b>2014</b>         |               |
|---------------|---------------------|---------------------|---------------|
| Owners        | \$616,156           | \$1,531,610         |               |
| Exhibitors    | \$2,969,109         | \$2,491,515         |               |
| Buyers        | \$9,442,940         | \$6,698,860         |               |
| <b>TOTALS</b> | <b>\$13,028,205</b> | <b>\$10,721,985</b> | <b>+21.5%</b> |