

# The Economic Impact of Travel

City of Yuma

2023 Preliminary Estimates

November, 2024

**PREPARED FOR**  
Visit Yuma



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# The Economic Impact of Travel in Yuma, Arizona

2023 Preliminary Estimates

Visit Yuma

11/18/2024

**PRIMARY RESEARCH CONDUCTED BY**

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**Yuma, AZ**

**2023p**

# Direct Travel Impacts

## Summary, 2023p

The city of Yuma, located in southwestern Arizona, is a vibrant destination with a sunny climate, award winning restaurants, and outdoor recreation. Although there were fewer overnight visitors in 2023, travel-related spending was up 2.3% compared to the previous year.

- **Overnight Visitor volume** (person-trips) decreased 0.8% from 825,400 visitors in 2022 to 818,500 visitors in 2023.
- **Direct travel-related spending** was \$596.0 million in 2023, a 2.3% increase compared to the previous year.
- **Direct earnings** (wages, benefits, and proprietor income generated by travel) grew 4.4%, from \$187.2 million in 2022 to \$195.4 million in 2023.
- **Direct travel generated employment** gained approximately 55 jobs in 2023, a 1.0% increase compared to the previous year.
- **Local tax receipts** generated by direct travel-related spending totaled \$28.1 million in 2023, a 2.8% increase compared to 2022.

In 2023, Yuma's travel-related spending reached \$596.0 million, a **2.3% increase** compared to the previous year.

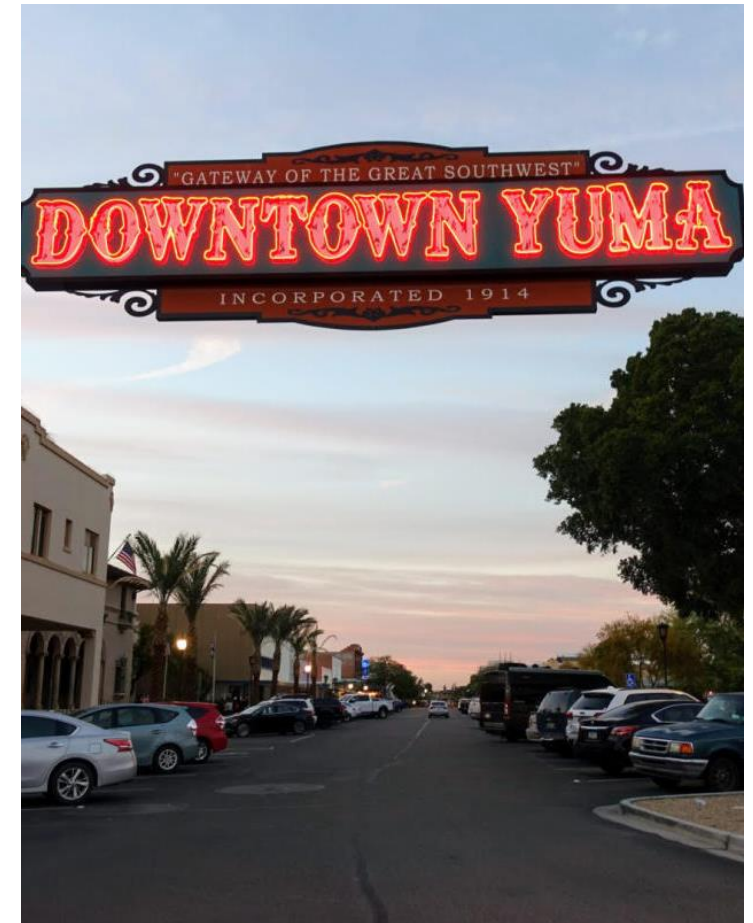


Photo by Visit Yuma

**Note:** This report describes the travel impacts within Yuma city limits. Estimates may be subject to revision if more complete data becomes available. All economic impacts are reported as direct impacts.

# Direct Travel Impacts

## Historical Trend Tables

### Direct Impact Summary

	2018	2019	2020	2021	2022	2023	% Change	
							22-23	19-23
<b>Spending (\$Millions)</b>								
Visitor	472.3	476.3	363.9	479.0	546.1	560.5	2.6%	17.7%
Other*	29.5	32.0	15.2	27.7	36.4	35.5	-2.4%	11.0%
<b>Total</b>	<b>501.8</b>	<b>508.3</b>	<b>379.1</b>	<b>506.7</b>	<b>582.5</b>	<b>596.0</b>	<b>2.3%</b>	<b>17.2%</b>
<b>Earnings (\$Millions)</b>								
Earnings	126.0	116.2	127.3	162.5	187.2	195.4	4.4%	68.1%
<b>Employment</b>								
Employment	4,813	5,192	4,506	4,915	5,389	5,444	1.0%	4.9%
<b>Tax Revenue (\$Millions)</b>								
Local	22.0	20.6	18.3	24.6	27.4	28.1	2.8%	36.8%
State	19.3	18.6	15.6	21.1	22.5	23.4	3.8%	25.8%
<b>Total</b>	<b>41.3</b>	<b>39.1</b>	<b>33.9</b>	<b>45.7</b>	<b>49.9</b>	<b>51.5</b>	<b>3.3%</b>	<b>31.6%</b>

**Note:** Employment figures represent an annual average.

\*Other travel spending includes resident air travel, travel arrangement, and convention services.

For more information, see Glossary on page 14.

# Direct Travel Impacts

## Historical Trend Tables

### Direct Spending Summary

	2018	2019	2020	2021	2022	2023	% Change	
							22-23	19-23
<b>Spending (\$Millions)</b>								
Visitor	472.3	476.3	363.9	479.0	546.1	560.5	2.6%	17.7%
Other	29.5	32.0	15.2	27.7	36.4	35.5	-2.4%	11.0%
<b>Total</b>	<b>501.8</b>	<b>508.3</b>	<b>379.1</b>	<b>506.7</b>	<b>582.5</b>	<b>596.0</b>	<b>2.3%</b>	<b>17.2%</b>
<b>Visitor Spending by Type of Traveler Accommodation (\$Millions)</b>								
Hotel, Motel, STVR	158.7	164.1	138.3	172.8	193.1	188.1	-2.6%	14.6%
Hotel, Motel	158.7	164.1	138.3	168.3	186.4	180.2	-3.3%	9.8%
STVR	NA	NA	NA	4.4	6.8	7.9	16.5%	NA
Private Home (VFR)	47.4	48.9	44.6	48.7	55.9	57.1	2.2%	17.0%
Seasonal Home (2nd Home)	9.1	8.9	8.6	9.2	7.0	10.0	42.2%	11.8%
Day Travel	156.9	152.7	110.7	142.3	173.6	191.1	10.1%	25.1%
Day Travel - Regional Overnight	70.6	72.0	32.1	76.8	85.1	81.7	-4.0%	13.5%
Campground	29.6	29.8	29.6	29.2	31.3	32.5	3.7%	9.0%
<b>Total</b>	<b>472.3</b>	<b>476.3</b>	<b>363.9</b>	<b>479.0</b>	<b>546.1</b>	<b>560.5</b>	<b>2.6%</b>	<b>17.7%</b>
<b>Visitor Spending by Commodity Purchased (\$Millions)</b>								
Accommodations	63.1	62.3	54.1	74.0	85.9	83.9	-2.4%	34.7%
Food Service	115.6	120.1	91.6	125.6	136.0	142.7	4.9%	18.7%
Food Stores	57.4	56.6	41.3	55.0	65.5	72.3	10.3%	27.6%
Arts, Ent. & Rec.	83.2	85.7	74.5	77.6	80.2	82.0	2.2%	-4.4%
Retail Sales	93.9	91.5	64.3	89.6	104.1	109.7	5.5%	19.9%
Local Tran. & Gas	44.1	44.2	30.4	44.5	57.4	52.4	-8.7%	18.5%
Visitor Air	15.0	15.8	7.6	12.7	17.0	17.5	3.4%	11.0%
<b>Total</b>	<b>472.3</b>	<b>476.3</b>	<b>363.9</b>	<b>479.0</b>	<b>546.1</b>	<b>560.5</b>	<b>2.6%</b>	<b>17.7%</b>





# Direct Travel Impacts

## Historical Trend Tables

### Direct Impact Detail

	2018	2019	2020	2021	2022	2023	% Change	
							22-23	19-23
<b>Travel Industry Earnings (\$Millions)</b>								
Accom. & Food Serv.	63.9	57.5	68.6	92.0	104.5	109.1	4.4%	89.6%
Arts, Ent. & Rec.	28.2	29.0	25.9	42.4	49.0	53.4	9.2%	84.3%
Retail*	30.0	26.0	29.9	26.0	30.2	29.4	-2.7%	13.1%
Ground Trans. & Other Travel	3.2	2.9	2.4	1.6	2.9	2.7	-4.5%	-6.6%
Visitor Air	0.8	0.7	0.6	0.5	0.6	0.7	7.3%	-7.4%
<b>Total</b>	<b>126.0</b>	<b>116.2</b>	<b>127.3</b>	<b>162.5</b>	<b>187.2</b>	<b>195.4</b>	<b>4.4%</b>	<b>68.1%</b>
<b>Travel Industry Employment (Jobs)</b>								
Accom. & Food Serv.	2,368	2,431	2,097	2,377	2,544	2,511	-1.3%	3.3%
Arts, Ent. & Rec.	1,644	1,999	1,674	1,833	2,007	2,086	3.9%	4.4%
Retail*	700	667	666	652	755	756	0.1%	13.3%
Ground Trans. & Other Travel	85	80	57	44	74	81	9.5%	1.3%
Visitor Air	16	15	12	9	9	10	1.0%	4.9%
<b>Total</b>	<b>4,813</b>	<b>5,192</b>	<b>4,506</b>	<b>4,915</b>	<b>5,389</b>	<b>5,444</b>	<b>1.0%</b>	<b>4.9%</b>
<b>Tax Receipts Generated by Travel Spending (\$Millions)</b>								
City	9.5	9.6	7.5	10.2	11.4	11.8	2.8%	23.1%
County	12.5	11.0	10.8	14.4	15.9	16.4	2.8%	48.6%
State	19.3	18.6	15.6	21.1	22.5	23.4	3.8%	25.8%
<b>Total</b>	<b>41.3</b>	<b>39.1</b>	<b>33.9</b>	<b>45.7</b>	<b>49.9</b>	<b>51.5</b>	<b>3.3%</b>	<b>31.6%</b>

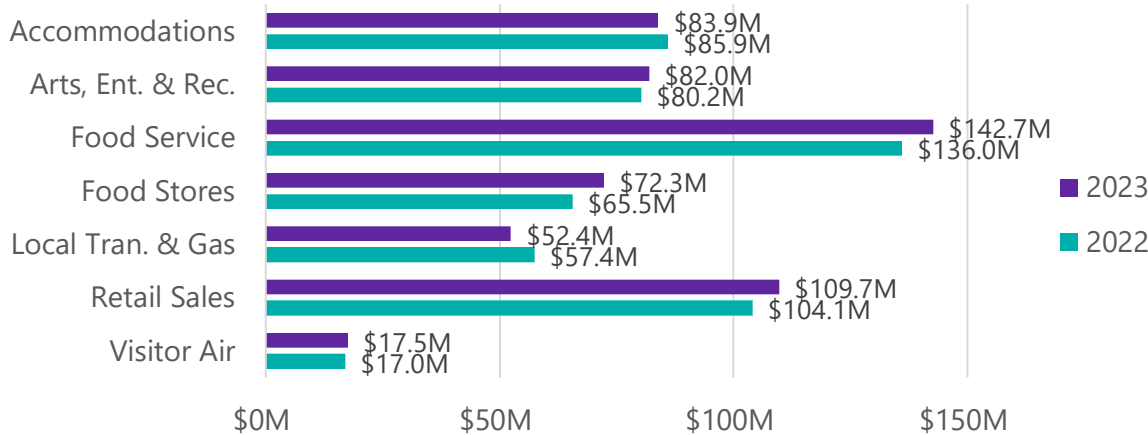
**Note:** Employment figures represent an annual average.

\*Retail includes gasoline station employment and earnings.

For more information, see Glossary on page 14.

# Direct Spending

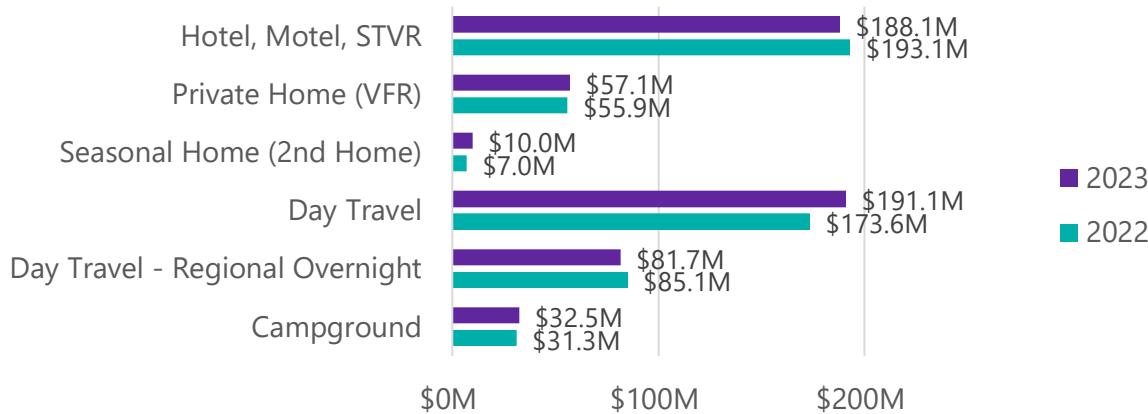
## Visitor Spending by Commodity Purchased



Visitors spent \$83.9 million on accommodations in 2023, a **\$2.0 million or 2.4% decrease** compared to the previous year.

Sources: Dean Runyan Associates, OmniTrak Group, Energy Information Administration, Bureau of Transportation Statistics

## Visitor Spending by Accommodation Type



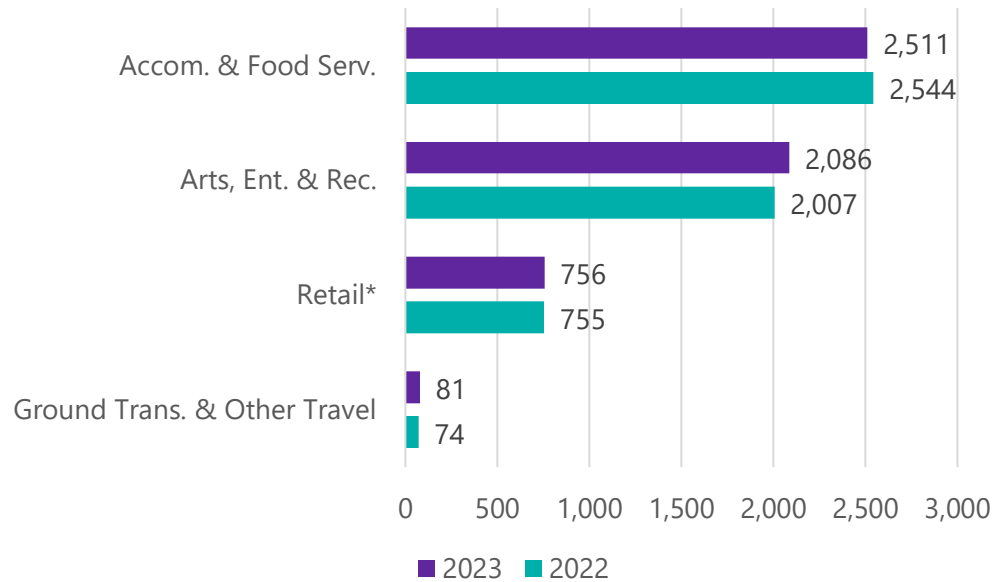
Visitors who stayed in a hotel, motel, or STVR contributed \$188.1 million of visitor spending, a **\$5.0 million or 2.6% decrease** compared to the previous year.

Sources: Dean Runyan Associates, OmniTrak Group, AirDNA, Smith Travel Research, Census Bureau



# Direct Employment

## Travel Industry Employment



**Sources:** Dean Runyan Associates, U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis

**Note:** Figures represent an annual average.

\*Retail includes gasoline station employment.

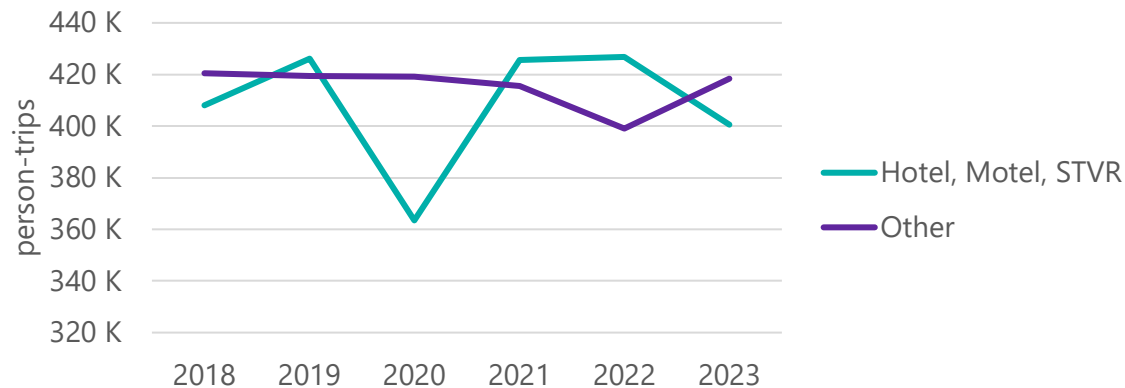


Photo by Sabel Blanco via pexels.com; cropped by DRA

Overall, travel activity generated approximately **55 additional jobs in 2023, a 1.0% increase** compared to the previous year.

# Overnight Visitor Volume

## Visitor Volume



Approximately 400,500 visitors stayed in a hotel, motel, or STVR in 2023, a **6.2% decrease** compared to the previous year.

Sources: Arizona Department of Revenue, U.S. Census Bureau, Smith Travel Research, AirDNA, OmniTrak Group, Dean Runyan Associates

## Visitor Nights and Trips

	Person			Party		
	2021	2022	2023	2021	2022	2023
<b>Nights</b>						
Hotel, Motel, STVR	1,163,000	1,171,500	1,099,000	422,400	424,900	398,700
Private Home (VFR)	713,700	722,400	722,400	318,200	322,000	322,000
Other Overnight	580,000	523,500	580,700	208,200	187,200	208,400
<b>Total</b>	<b>2,456,600</b>	<b>2,417,400</b>	<b>2,402,100</b>	<b>948,800</b>	<b>934,200</b>	<b>929,100</b>
<b>Trips</b>						
Hotel, Motel, STVR	425,600	426,800	400,500	154,800	155,100	145,500
Private Home (VFR)	235,600	238,400	238,400	105,000	106,300	106,300
Other Overnight	179,500	160,100	179,600	64,600	57,400	64,600
<b>Total</b>	<b>840,700</b>	<b>825,400</b>	<b>818,500</b>	<b>324,400</b>	<b>318,700</b>	<b>316,400</b>

Note: Volume estimates are rounded to the nearest hundred.

# Overnight Visitor Details

## Taxable Lodging Sales



Taxable lodging sales totaled \$76.0 million in 2023, a **\$1.8 million or 2.4% decrease** compared to the previous year.

Sources: Arizona Department of Revenue, Northern Arizona University, Dean Runyan Associates

## Overnight Trip Details

	Spending per Person		Spending per Party		Party Size	Length of Stay
	Day	Trip	Day	Trip		
Hotel, Motel, STVR	\$171	\$470	\$472	\$1,293	3.1	3.1
Private Home (VFR)	\$79	\$240	\$177	\$538	2.7	3.4
Other Overnight	\$73	\$237	\$204	\$658	3.1	3.5
All Overnight	\$120	\$352	\$310	\$909	2.6	2.9

On average, visitors who stayed in a hotel, motel, or STVR spent \$171 per day and stayed approximately 3 days.

Sources: Arizona Department of Revenue, Northern Arizona University, U.S. Census Bureau, AirDNA, OmniTrak Group, Dean Runyan Associates

# Glossary

Term	Definition
Hotel, Motel, STVR	Accommodation types that house transient lodging activity
Private Home	Personal residences used to host visiting friends and family overnight
Other Overnight	Combination of overnight visitors who stay in campgrounds or 2nd homes
Day Travel	Greater than 50 miles traveled non-routine to the destination
Visitor Spending	Direct spending made by visitors in a destination
Other Spending	Spending by residents on travel arrangement services, or spending for convention activities
Direct Spending	Expenditures made by consumers; a combination of Visitor Spending and Other Spending
Direct Earnings	Total after-tax net income for travel. Includes wages and salary disbursements, proprietor income, and other earned income or benefits
Direct Employment	Employment generated by direct spending; includes full time, part time, seasonal, and proprietors
Local Taxes	City and county taxes generated by travel spending
State Taxes	State taxes generated by travel spending
Destination Spending	Interchangeable with Visitor Spending. Direct spending made by visitors in a destination
STVR	Short Term Vacation Rental. Private and semi-private lodging rented by owners or property management companies (e.g. Airbnb, VRBO)
2nd home	Homes under private ownership for personal use as a vacation property



# Methodology

The direct travel impacts reported in this analysis were estimated using DRA's Regional Travel Impact Model (RTIM). First developed in 1985, this model estimates direct impacts at a local level without relying on annual survey research. The "bottom up" approach of the RTIM involves modeling of private and public data at the county level, ensuring that the final findings correspond closely with the various travel indicators available for each respective county. Results are then aggregated into regions and the state or disaggregated to the city level based on relevant indicators at these geographic levels. The result is a detailed profile of taxes, employment, wages, and spending that can be tracked consistently over time.

The economic impact associated with day visitors and overnight visitors is a primary breakout included in this report. Lodging tax data and survey data on visitor expenditures inform estimates of total spending associated with overnight visitors who stay in commercial lodging in the studied region. DRA maintains its own expenditure distribution database for each state we work in, with input from multiple major survey providers. The inventory of campgrounds are collected for commercial and public sites, and occupancy is modeled based on a representative subset of sites. Sales attributable to travelers staying in their second homes are calculated from inventories from the US Census and public information on average utilization rates. Visitation of friends and relatives (VFR) is generally stable across time and geography, the primary driver for a destination being the local resident population. Estimates of visitor spending related to day travel can be driven by several factors, including proximity to nearby populous areas, opportunities for recreation and shopping, and inventory of lodging options compared to surrounding areas. Baseline estimates for day visitation are calculated as a factor of overnight visitation, the factor being derived from regional results of national visitor profile data.

Spending on travel-related activities translates into jobs, earnings, and taxes. Calculation of these direct impacts relies on public data on jobs, wages, and business receipts by industry for each geographical area. State and local taxes on travel-related business also factor into triangulating direct travel impacts. DRA estimates overnight visitor volume by cross-referencing visitor surveys and lodging data. Because of this, the volume estimates reported here may not align with estimates that rely solely on visitor surveys. Visitor Spending is a more reliable metric than 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.

Findings in this report have been compared to various public and private data sources to ensure that the economic impacts estimates are as accurate as possible. Key private data sources used for the purposes of this analysis include KeyData and OmniTrak. Public data sources include the US Census, Bureau of Economic Analysis (BEA), Bureau of Labor Statistics (BLS), Energy Information Administration (EIA), Bureau of Transportation Statistics (BTS), Arizona Department of Revenue, Northern Arizona University, and Yuma City Finance Department.



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