

# The Ohio Visitor Economy

## *Jefferson County 2021*

July 2022

Prepared for: Tourism Ohio





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## INTRODUCTION

# PROJECT BACKGROUND

The travel sector is an integral part of the Ohio's economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the state's future. How critical? In 2021, tourism-supported jobs accounted for more than 7.3% of all jobs in the state.

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. This is particularly true for Ohio as it builds upon its tourism economy. By

establishing a baseline of economic impacts, the industry can track its progress over time.

To quantify the significance of the visitor economy in Ohio, 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.

## METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the state of Ohio. 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 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:

- Longwoods International: survey data, including spending and visitor profile characteristics for visitors to Ohio
- 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 Ohio based on aviation, survey, and credit card information

# JEFFERSON COUNTY

## SUMMARY ECONOMIC IMPACTS

Direct visitor spending of \$127 million generated tourism's total economic impact of \$223 million, including 2,290 total jobs (including full-time and part-time jobs) with associated labor income of \$58 million in 2021.

 **\$223M**  
Total Economic Impact

 **\$127M**  
Direct Visitor Spending

 **\$58M**  
Total Labor Income Impact

 **2,290**  
Total Jobs Impact



## FISCAL IMPACTS

### TAX REVENUES

The economic impacts attributable to tourism generated significant fiscal (tax) impacts as they cycled through the county economy. Overall, tourism generated \$30 million in tax revenues in 2021.

 **\$30M**  
Total Tax Revenues

 **\$14M**  
State & Local Tax Revenues

 **\$6M**  
Local Tax Revenues

 **\$526**  
Per household in tax burden relief

ECONOMIC IMPACTS  
**STATE OF OHIO**



# ECONOMIC IMPACTS OHIO KEY FINDINGS

## TOURISM'S DIRECT SPENDING IMPACT

The Ohio visitor economy spans multiple industries. International and domestic visitors support business in accommodations, food and beverage, recreation, retail shopping, local transportation and air travel. In 2021, total direct visitor spending tallied \$35.1 billion, including \$200 million from international visitors.



## TOTAL VISITORS

Ohio welcomed 219 million visitors, mostly domestic, in 2021.

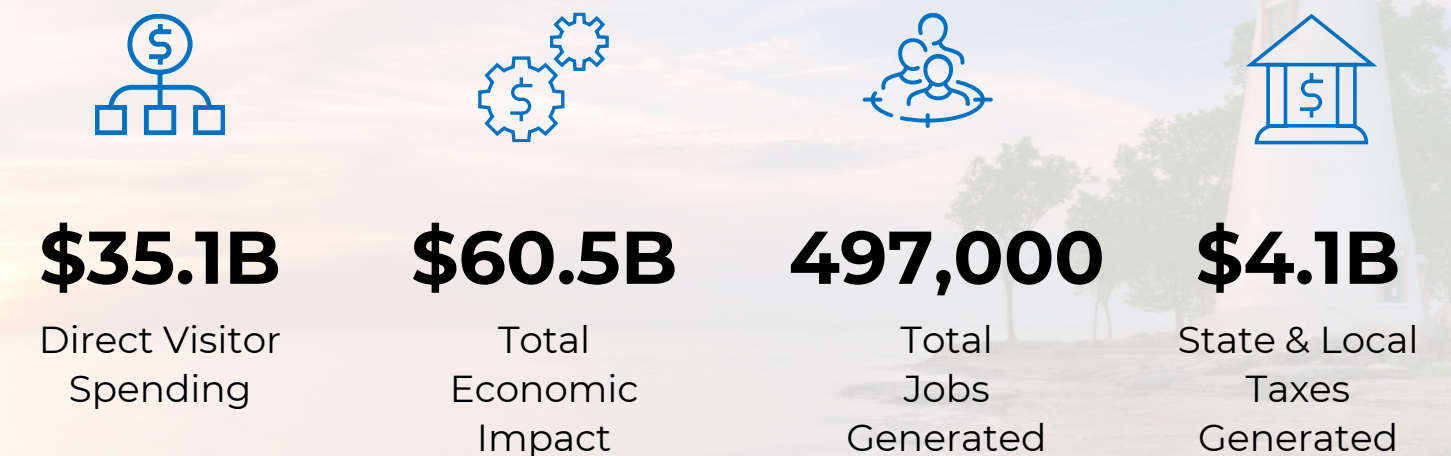


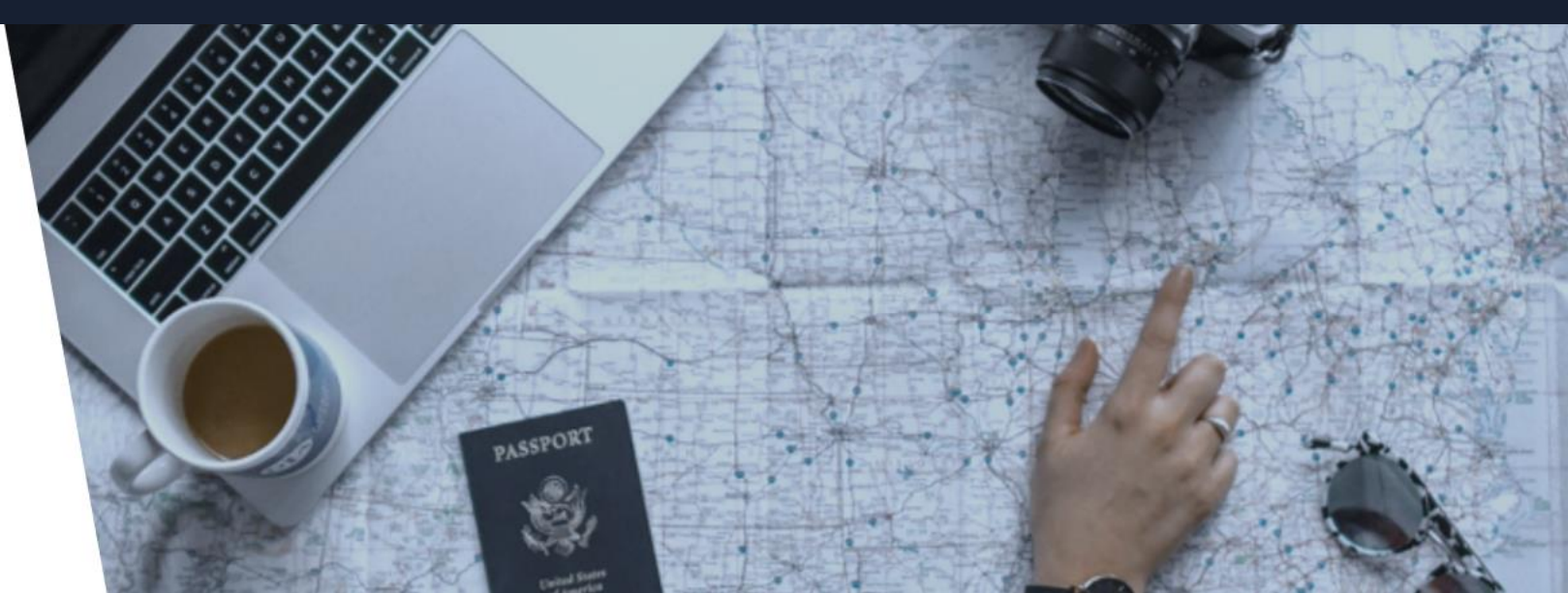
## TOURISM'S TOTAL ECONOMIC IMPACTS

The direct visitor spending impact of \$35.1 billion generated a total economic impact of \$60.5 billion in Ohio in 2021 including indirect and induced impacts. This total economic impact sustained 497,000 jobs and generated \$4.1 billion in state and local tax revenues in 2021.



## SUMMARY ECONOMIC IMPACTS Ohio Tourism (2021)





## VISITATION & VISITOR SPENDING

Ohio hosts millions of visitors each year, including in-state and out-of-state travelers. Following severe COVID-related declines the prior year, 2021 was a year of recovery in which direct visitor spending reached \$35.1 billion. Visitor volume totaled 218.8 million, with domestic visitation accounting for 218.6 million.

### VISITOR VOLUME

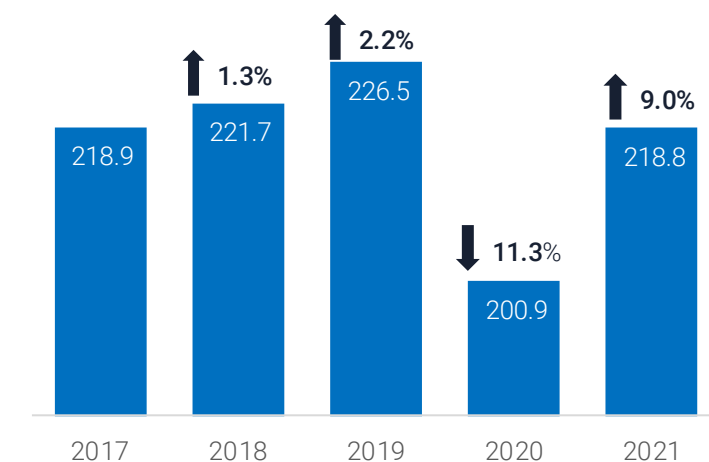
#### Recovery in 2021

Visitor volume and spending were severely impacted in 2020 by COVID-19 restrictions and closures.

In 2021, travel confidence rebounded with easing restrictions and effective vaccines. With a 9% gain in 2021, visitor levels nearly recovered to pre-pandemic levels and finished the year at 97% of 2019 volumes.

#### Ohio visitor volume

Amounts in millions



Sources: Longwoods Int'l, Tourism Economics

### VISITOR SPENDING

Visitors to Ohio spent **\$35.1 billion** across a wide range of sectors in 2021.

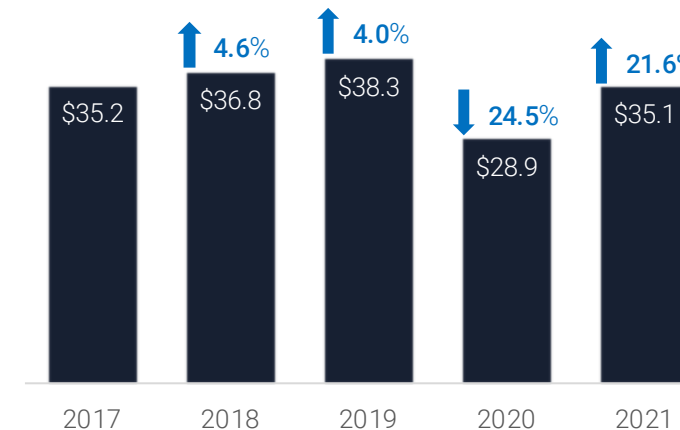
Visitor spending expanded 21.6% in 2021, driven by strong volume and higher prices in most sectors. With recovery in 2021, spending levels reached 92% of 2019 levels.

Of the \$35.1 billion spent in Ohio in 2021 by visitors, food and beverage accounted for \$8.5 billion, 24% of the average visitor dollar. Retail captured 15%, a total of \$5.3 billion.

Transportation, including both air and transportation within the destination, comprised 36%, with lodging spending capturing 11%. Recreational spending tallied \$4.9 billion in 2021—14% of each visitor dollar.

#### Ohio visitor spending

Amounts in \$ billions



Sources: Longwoods Int'l, Tourism Economics

**\$35.1 BILLION**

Total Visitor Spending in 2021 (Domestic & International)

**\$8.5B FOOD & BEVERAGE**  
Full-service restaurants, fast food, convenience stores, bars, grocery stores

**\$5.3B RETAIL**  
Souvenirs, general merchandise, malls, shopping centers

**\$12.5B TRANSPORTATION**  
Taxis, buses, parking, public transportation, car rentals, gasoline

**\$3.9B LODGING**  
Hotels, motels, private home rentals, second homes

**\$4.9B RECREATION**  
Theaters, amusements, entertainment venues, other rec

Source: Tourism Economics

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

# ECONOMIC IMPACTS

## KEY FINDINGS

### Ohio visitor spending and annual growth

Amounts in \$billions, 2021 % change, and % recovered relative to 2019

	2017	2018	2019	2020	2021	2021 Growth	% of 2019
<b>Total visitor spending</b>	<b>\$35.16</b>	<b>\$36.78</b>	<b>\$38.26</b>	<b>\$28.88</b>	<b>\$35.12</b>	<b>21.6%</b>	<b>91.8%</b>
Food & beverage	\$8.97	\$9.34	\$9.79	\$7.07	\$8.49	20.1%	86.7%
Retail	\$4.92	\$5.07	\$5.30	\$4.65	\$5.28	13.5%	99.6%
Transportation**	\$11.56	\$12.19	\$12.60	\$10.14	\$12.53	23.6%	99.5%
Lodging*	\$3.76	\$3.95	\$4.11	\$2.67	\$3.88	45.7%	94.6%
Recreation	\$5.96	\$6.23	\$6.47	\$4.36	\$4.94	13.3%	76.3%

Source: Tourism Economics

\* Lodging includes second home spending

\*\* Transportation includes both ground and air transportation

### Visitor volume and spending

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

	2017	2018	2019	2020	2021	2021 Growth
<b>Total visitors, mils</b>	<b>218.9</b>	<b>221.7</b>	<b>226.5</b>	<b>200.9</b>	<b>218.8</b>	<b>9.0%</b>
Domestic	218.0	220.7	225.6	200.7	218.6	9.0%
International	1.0	1.0	1.0	0.2	0.2	7.7%
<b>Visitor spending, \$bils</b>	<b>\$35.16</b>	<b>\$36.78</b>	<b>\$38.26</b>	<b>\$28.88</b>	<b>\$35.12</b>	<b>21.6%</b>
Domestic	\$34.04	\$35.57	\$37.05	\$28.68	\$34.88	21.6%
International	\$1.13	\$1.21	\$1.20	\$0.21	\$0.24	16.2%
<b>Per visitor spending, \$</b>	<b>\$161</b>	<b>\$166</b>	<b>\$169</b>	<b>\$144</b>	<b>\$160</b>	<b>11.6%</b>
Domestic	\$156	\$161	\$164	\$143	\$160	11.7%
International	\$1,172	\$1,201	\$1,239	\$1,058	\$1,141	7.9%

Source: Tourism Economics

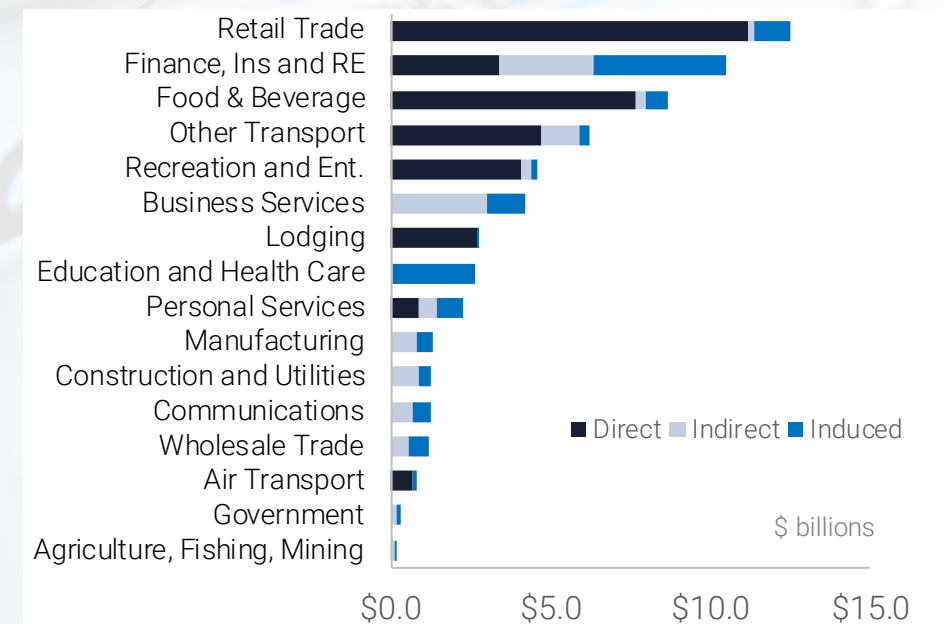
### Business sales impacts by industry (2021)

Amounts in billions of nominal dollars

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$ 35.12</b>	<b>\$ 11.78</b>	<b>\$ 13.58</b>	<b>\$ 60.49</b>
Retail Trade	\$ 11.15	\$ 0.19	\$ 1.17	\$ 12.51
Finance, Ins and RE	\$ 3.36	\$ 2.96	\$ 4.19	\$ 10.51
Food & Beverage	\$ 7.63	\$ 0.33	\$ 0.72	\$ 8.68
Other Transport	\$ 4.71	\$ 1.18	\$ 0.33	\$ 6.21
Recreation and Ent.	\$ 4.05	\$ 0.31	\$ 0.24	\$ 4.60
Business Services	\$ -	\$ 2.98	\$ 1.24	\$ 4.22
Lodging	\$ 2.68	\$ 0.00	\$ 0.00	\$ 2.69
Education and Health Care	\$ -	\$ 0.04	\$ 2.57	\$ 2.61
Personal Services	\$ 0.89	\$ 0.52	\$ 0.81	\$ 2.22
Manufacturing	\$ -	\$ 0.81	\$ 0.52	\$ 1.33
Construction and Utilities	\$ -	\$ 0.86	\$ 0.39	\$ 1.25
Communications	\$ -	\$ 0.71	\$ 0.51	\$ 1.22
Wholesale Trade	\$ -	\$ 0.57	\$ 0.63	\$ 1.19
Air Transport	\$ 0.66	\$ 0.05	\$ 0.07	\$ 0.78
Government	\$ -	\$ 0.15	\$ 0.12	\$ 0.27
Agriculture, Fishing, Mining	\$ -	\$ 0.12	\$ 0.08	\$ 0.20

### Tourism business sales impacts by industry (2021)

Amounts in billions of nominal dollars



Source: Tourism Economics



ECONOMIC IMPACTS  
**OHIO REGIONAL SUMMARY**



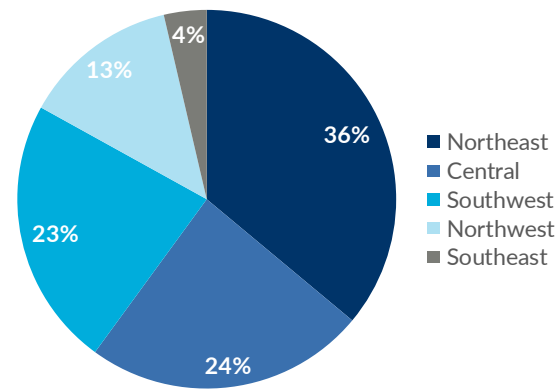
# ECONOMIC IMPACTS

## OHIO REGIONAL SUMMARY

Cleveland (Northeast), Columbus (Central), and Cincinnati (Southwest), are key destinations and influence the distribution of the tourism economy across Ohio.

### Ohio tourism business sales by region

% of total



### Ohio tourism business sales by region

Amounts in \$billions

	Direct Sales	Total Sales
<b>Total</b>	<b>\$ 35.12</b>	<b>\$ 60.49</b>
<b>Region</b>		
Northeast	\$ 12.65	\$ 21.75
Central	\$ 8.41	\$ 14.46
Southwest	\$ 8.16	\$ 14.04
Northwest	\$ 4.65	\$ 8.03
Southeast	\$ 1.26	\$ 2.20

Source: Tourism Economics

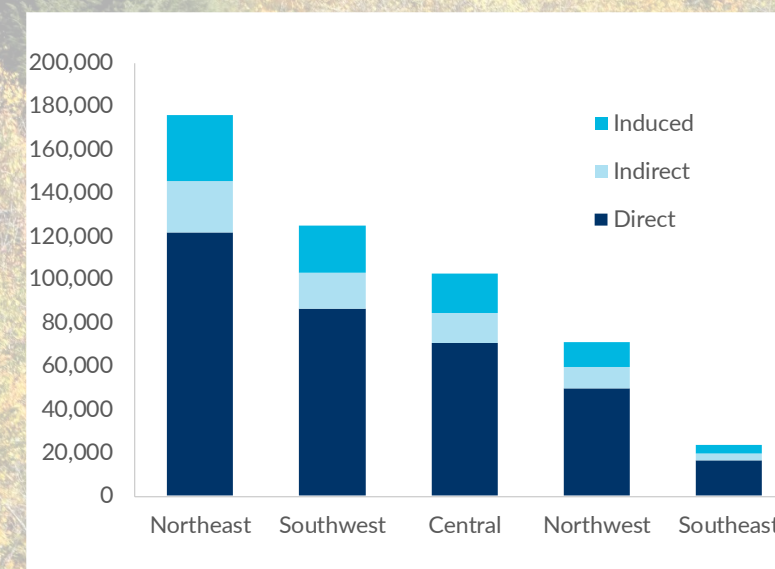
### Ohio tourism business sales trends by region

Amounts in \$billions, growth in annual % change

	2017	2018	2019	2020	2021
<b>Ohio total</b>	<b>\$ 35.16</b>	<b>\$ 36.78</b>	<b>\$ 38.26</b>	<b>\$ 28.88</b>	<b>\$ 35.12</b>
<b>Levels, \$bils</b>					
Northeast	\$ 13.00	\$ 13.65	\$ 13.84	\$ 10.40	\$ 12.65
Central	\$ 8.51	\$ 8.81	\$ 9.31	\$ 6.79	\$ 8.41
Southwest	\$ 8.23	\$ 8.55	\$ 9.04	\$ 6.79	\$ 8.16
Northwest	\$ 4.26	\$ 4.54	\$ 4.81	\$ 3.84	\$ 4.65
Southeast	\$ 1.16	\$ 1.23	\$ 1.25	\$ 1.07	\$ 1.26
<b>Ohio total, % change</b>					
Northeast		4.6%	4.0%	-24.5%	21.6%
Central		5.0%	1.5%	-24.9%	21.6%
Southwest		3.5%	5.7%	-27.1%	23.9%
Northwest		3.9%	5.8%	-24.9%	20.1%
Southeast		6.5%	5.9%	-20.2%	21.2%
		6.0%	1.5%	-14.8%	18.2%

### Ohio tourism jobs by region

Amounts in number of jobs



ECONOMIC IMPACTS  
**NORTHEAST REGION**



# ECONOMIC IMPACTS NORTHEAST REGION

Visitor spending in Northeast Ohio generated \$21.8 billion in total sales, 175,728 jobs, \$6.0 billion in income, and \$3.0 billion in tax revenues.

## Northeast region tourism impacts

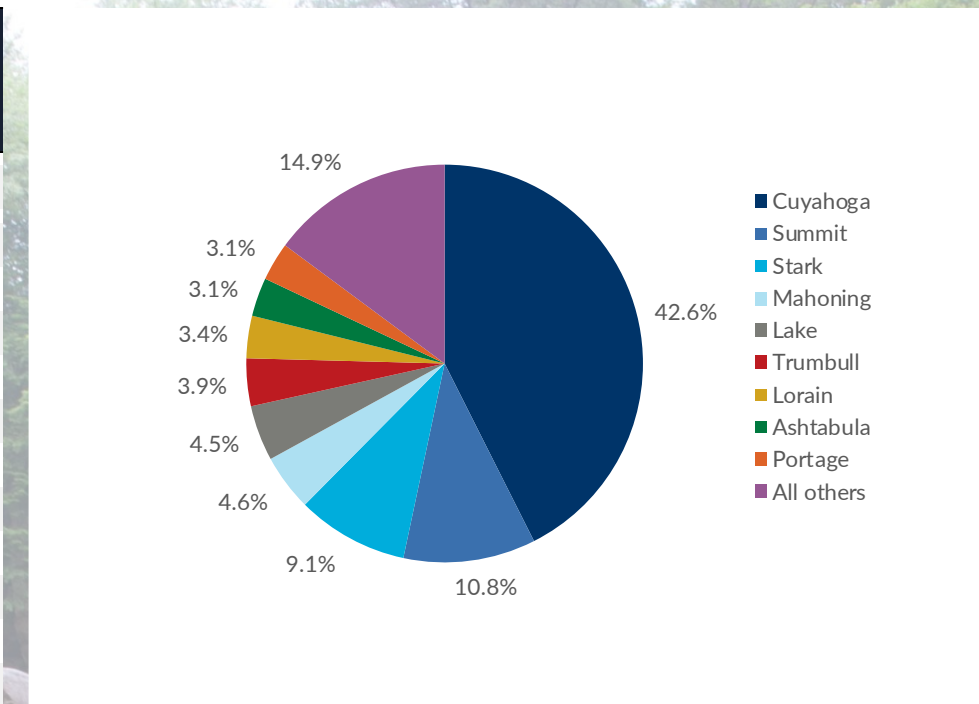
	Total Sales \$mils	Total Jobs	Total Income \$mils	Total Tax Revenue \$mils
<b>Region total</b>	<b>\$21,750.9</b>	<b>175,728</b>	<b>\$5,994.3</b>	<b>\$3,001.3</b>
<b>County</b>				
Ashland	\$241.2	1,881	\$49.1	\$31.9
Ashtabula	\$682.4	4,009	\$90.6	\$86.6
Carroll	\$88.6	698	\$17.9	\$11.5
Columbiana	\$288.9	2,514	\$58.3	\$37.3
Coshocton	\$62.6	752	\$16.4	\$8.3
Cuyahoga	\$9,256.5	64,413	\$3,098.4	\$1,325.2
Geauga	\$237.2	2,888	\$71.6	\$32.5
Harrison	\$16.2	170	\$3.1	\$2.0
Holmes	\$306.1	2,250	\$50.7	\$40.7
Jefferson	\$223.3	2,290	\$58.1	\$29.9
Lake	\$981.3	8,975	\$244.7	\$133.8
Lorain	\$749.8	9,368	\$242.4	\$106.0
Mahoning	\$999.6	9,967	\$234.0	\$135.1
Medina	\$664.3	7,160	\$193.7	\$91.3
Portage	\$679.0	5,208	\$134.2	\$89.0
Richland	\$404.5	5,094	\$115.8	\$55.9
Stark	\$1,979.6	13,944	\$367.3	\$258.9
Summit	\$2,345.4	20,171	\$630.2	\$321.7
Trumbull	\$842.4	7,674	\$165.8	\$110.7
Tuscarawas	\$405.6	3,304	\$75.8	\$53.0
Wayne	\$296.3	2,997	\$76.2	\$39.9

Source: Tourism Economics

## Tourism business sales by county

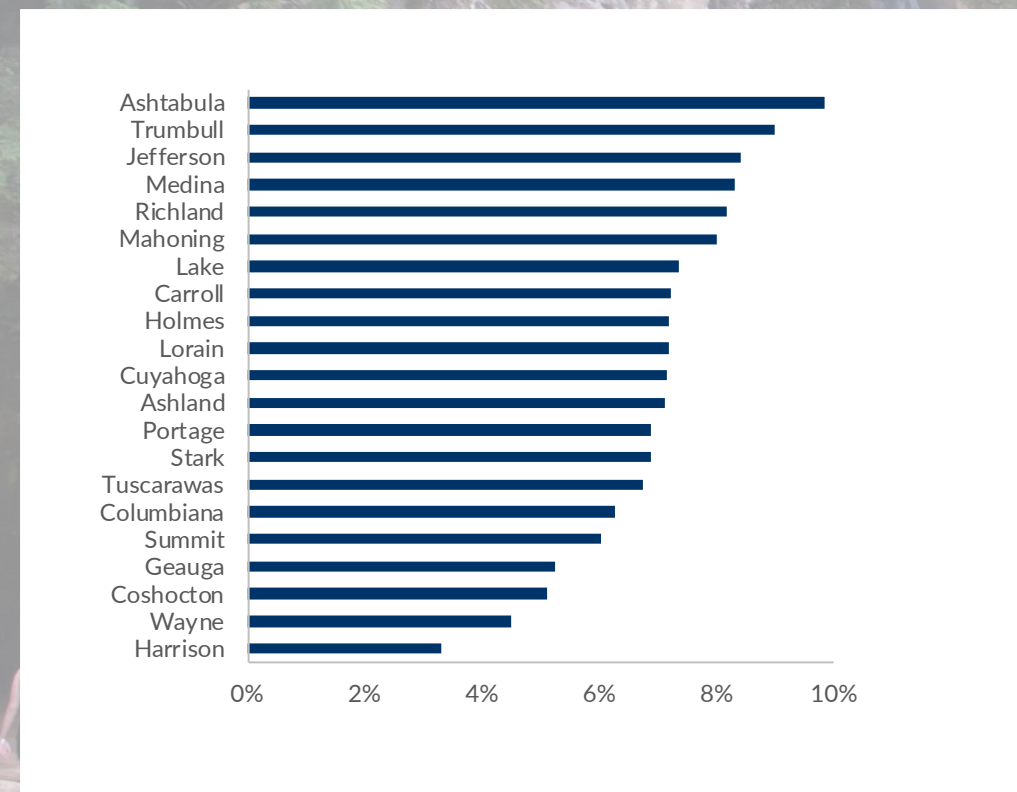
Amounts in \$millions

	Direct Sales \$mils	Total Sales \$mils
<b>Region total</b>	<b>\$12,646.1</b>	<b>\$21,750.9</b>
<b>County</b>		
Cuyahoga	\$5,391.5	\$9,256.5
Summit	\$1,365.5	\$2,345.4
Stark	\$1,152.1	\$1,979.6
Mahoning	\$581.2	\$999.6
Lake	\$570.5	\$981.3
Trumbull	\$489.2	\$842.4
Lorain	\$435.5	\$749.8
Ashtabula	\$396.6	\$682.4
Portage	\$394.5	\$679.0
All others	\$1,869.3	\$3,234.8



## Tourism job intensity by county

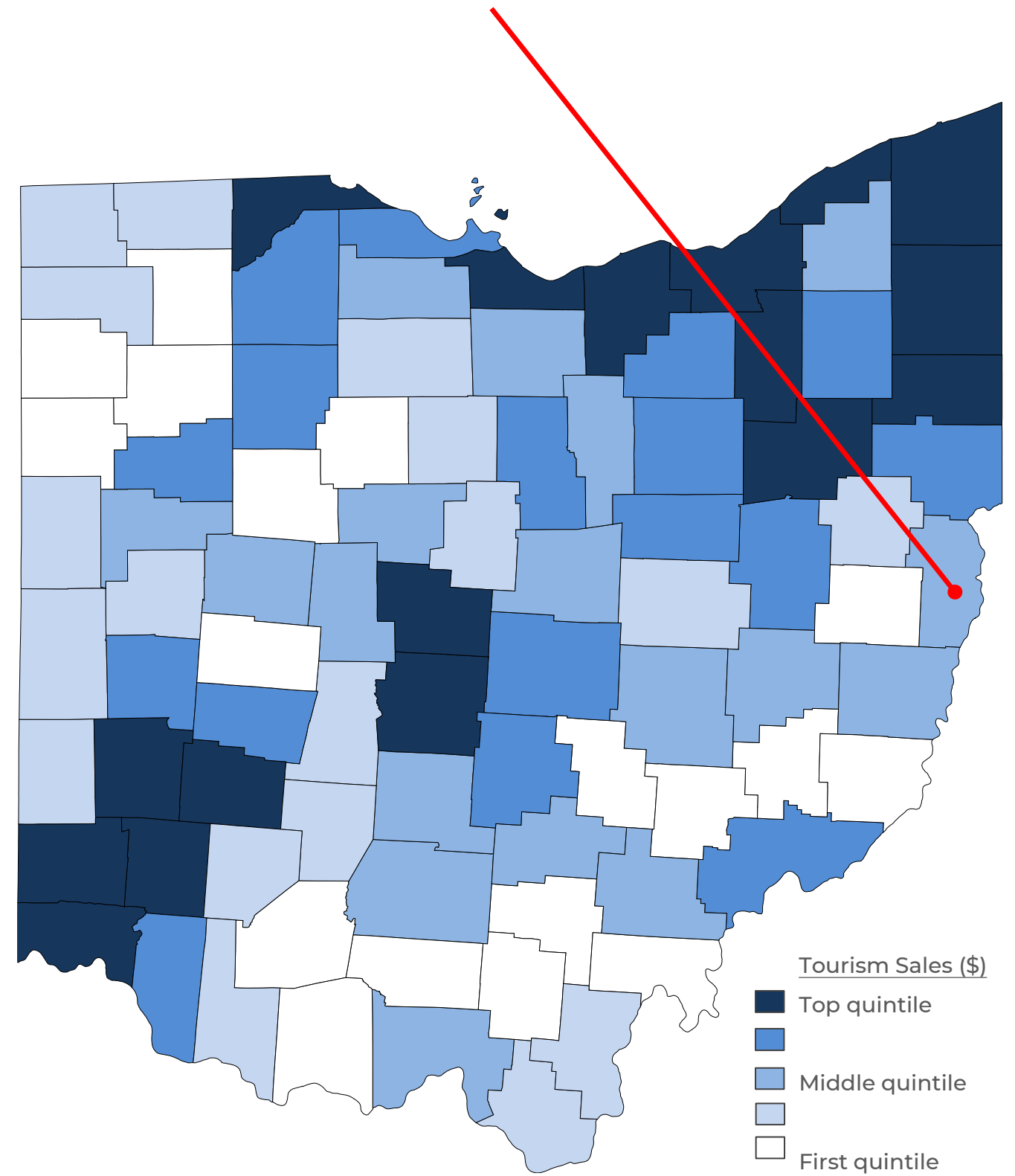
Share of total jobs, %



ECONOMIC IMPACTS

**JEFFERSON COUNTY TABLES**

JEFFERSON COUNTY





# ECONOMIC IMPACT JEFFERSON COUNTY

## BUSINESS SALES IMPACTS

Visitors contributed a direct impact of **\$129 million** in 2021 in Jefferson County, which included spending by day and overnight visitors.

This direct spending generated **\$223 million** in total impact, including indirect and induced impacts.

### Tourism business trends

#### Recent Trends in Tourism Sales (Output)

	2019	2020	2021
<b>Jefferson County direct sales trends:</b>			
Sales volume (\$mils)	154.2	124.2	128.6
Sales growth, % change	46.6%	-19.5%	3.6%
<b>Wider region and state direct sales trends:</b>			
Northeast Ohio sales growth, % change	1.5%	-24.9%	21.6%
Ohio sales growth, % change	4.0%	-24.5%	21.6%

## Business sales impacts by industry (2021)

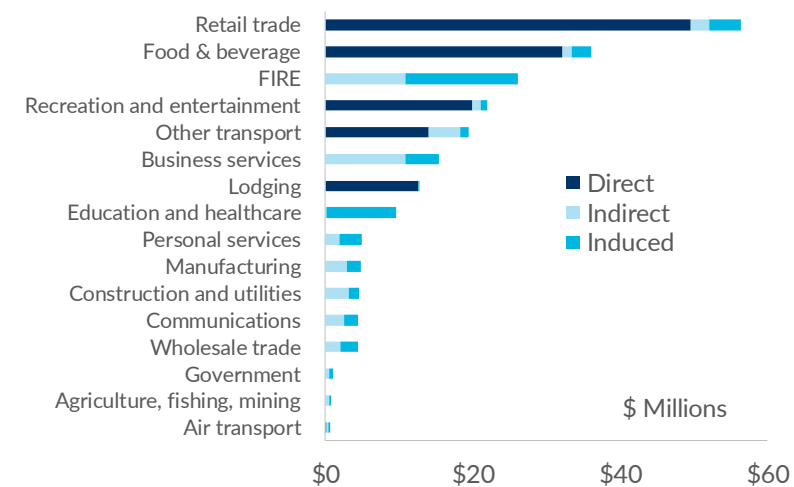
Amounts in millions of nominal dollars

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$ 128.6</b>	<b>\$ 44.8</b>	<b>\$ 49.8</b>	<b>\$ 223.3</b>
Retail trade	\$ 49.7	\$ 2.4	\$ 4.3	\$ 56.4
Food & beverage	\$ 32.2	\$ 1.2	\$ 2.6	\$ 36.1
FIRE	\$ -	\$ 10.8	\$ 15.4	\$ 26.2
Recreation and entertainment	\$ 20.0	\$ 1.1	\$ 0.9	\$ 22.0
Other transport	\$ 14.0	\$ 4.3	\$ 1.2	\$ 19.5
Business services	\$ -	\$ 10.9	\$ 4.5	\$ 15.4
Lodging	\$ 12.7	\$ 0.0	\$ 0.0	\$ 12.7
Education and healthcare	\$ -	\$ 0.1	\$ 9.4	\$ 9.6
Personal services	\$ -	\$ 1.9	\$ 3.0	\$ 4.9
Manufacturing	\$ -	\$ 3.0	\$ 1.9	\$ 4.9
Construction and utilities	\$ -	\$ 3.2	\$ 1.4	\$ 4.6
Communications	\$ -	\$ 2.6	\$ 1.9	\$ 4.5
Wholesale trade	\$ -	\$ 2.1	\$ 2.3	\$ 4.4
Government	\$ -	\$ 0.6	\$ 0.5	\$ 1.0
Agriculture, fishing, mining	\$ -	\$ 0.5	\$ 0.3	\$ 0.7
Air transport	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.6

Source: Tourism Economics

## Tourism business sales impacts by industry (2021)

Amounts in millions of nominal dollars



Source: Tourism Economics

# JOB IMPACTS

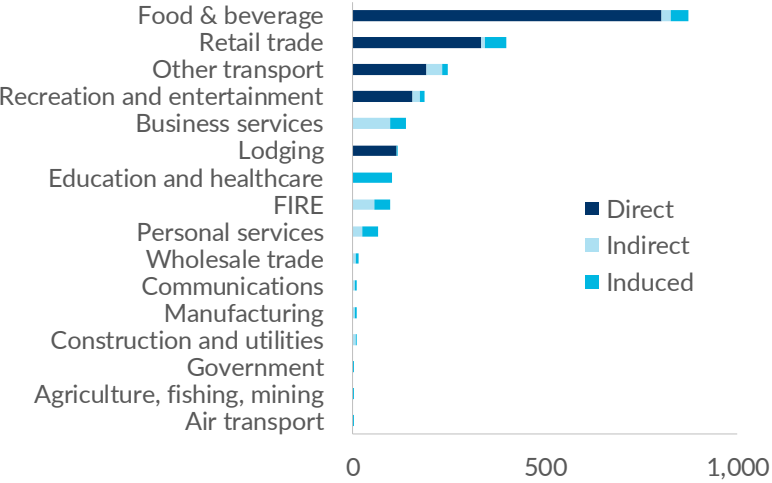
Visitor activity sustained 1,602 direct jobs and an additional 688 indirect and induced jobs in Jefferson County.

The total 2,290 jobs in the county supported by visitor spending accounts for 8.4% of all jobs in the county.



## Tourism Job Impacts by industry (2021)

Amounts in number of full-time and part-time jobs



Source: Tourism Economics

## Summary Job impacts by industry (2021)

Amounts in number of full-time and part-time jobs

Amounts in number of jobs	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
<b>Total, all industries</b>	<b>1,602</b>	<b>313</b>	<b>375</b>	<b>2,290</b>
Food & beverage	804	24	45	873
Retail trade	336	9	55	399
Other transport	192	42	13	248
Recreation and entertainment	155	20	12	187
Business services	-	98	41	139
Lodging	116	0	0	116
Education and healthcare	-	2	100	102
FIRE	-	56	43	99
Personal services	-	26	39	66
Wholesale trade	-	8	8	17
Communications	-	7	5	12
Manufacturing	-	7	4	12
Construction and utilities	-	8	4	11
Government	-	2	2	4
Agriculture, fishing, mining	-	2	2	4
Air transport	-	1	1	1

Source: Tourism Economics

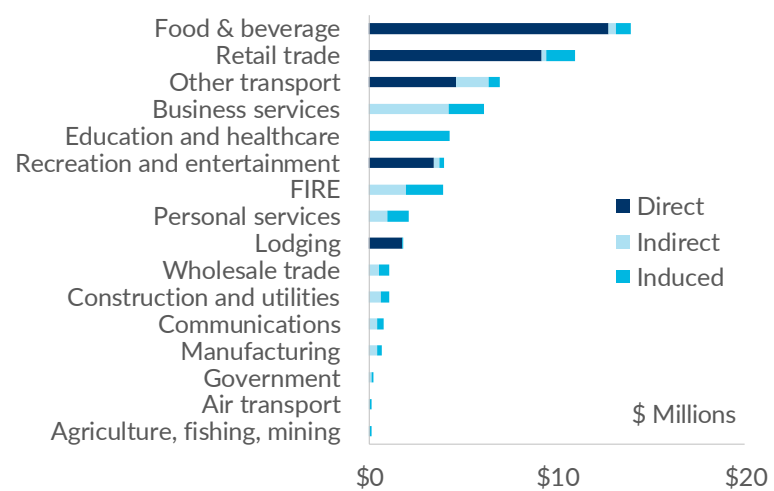
## LABOR INCOME IMPACTS

Visitor activity generated \$31.7 million in direct household income and a total of \$58.1 million including indirect and induced impacts.



### Tourism 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>\$ 31.7</b>	<b>\$ 12.2</b>	<b>\$ 14.2</b>	<b>\$ 58.1</b>
Food & beverage	\$ 12.7	\$ 0.4	\$ 0.8	\$ 13.9
Retail trade	\$ 9.2	\$ 0.3	\$ 1.5	\$ 11.0
Other transport	\$ 4.6	\$ 1.7	\$ 0.6	\$ 6.9
Business services	\$ -	\$ 4.2	\$ 1.9	\$ 6.1
Education and healthcare	\$ -	\$ 0.0	\$ 4.2	\$ 4.3
Recreation and entertainment	\$ 3.4	\$ 0.3	\$ 0.2	\$ 4.0
FIRE	\$ -	\$ 2.0	\$ 1.9	\$ 3.9
Personal services	\$ -	\$ 1.0	\$ 1.1	\$ 2.1
Lodging	\$ 1.8	\$ 0.0	\$ 0.0	\$ 1.8
Wholesale trade	\$ -	\$ 0.5	\$ 0.6	\$ 1.1
Construction and utilities	\$ -	\$ 0.6	\$ 0.5	\$ 1.1
Communications	\$ -	\$ 0.4	\$ 0.3	\$ 0.8
Manufacturing	\$ -	\$ 0.4	\$ 0.3	\$ 0.7
Government	\$ -	\$ 0.1	\$ 0.1	\$ 0.2
Air transport	\$ -	\$ 0.1	\$ 0.1	\$ 0.1
Agriculture, fishing, mining	\$ -	\$ 0.0	\$ 0.1	\$ 0.1

Source: Tourism Economics



## ECONOMIC IMPACT FINDINGS

### FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated **\$29.9 million** in government revenues.

State and local taxes alone tallied **\$14.5 million** in Jefferson County in 2021.

Each household in the county would need to be taxed an additional **\$526** to replace the visitor-generated taxes received by state and local governments in 2021.

#### Fiscal (tax) impacts

Amounts in nominal dollars

	Total Taxes
<b>Total tax revenues</b>	<b>\$29.9</b>
Federal Taxes	\$15.4
State Taxes	\$8.6
Local Taxes	\$5.9
State/Local Tax Savings Per Household	\$526

Source: Tourism Economics

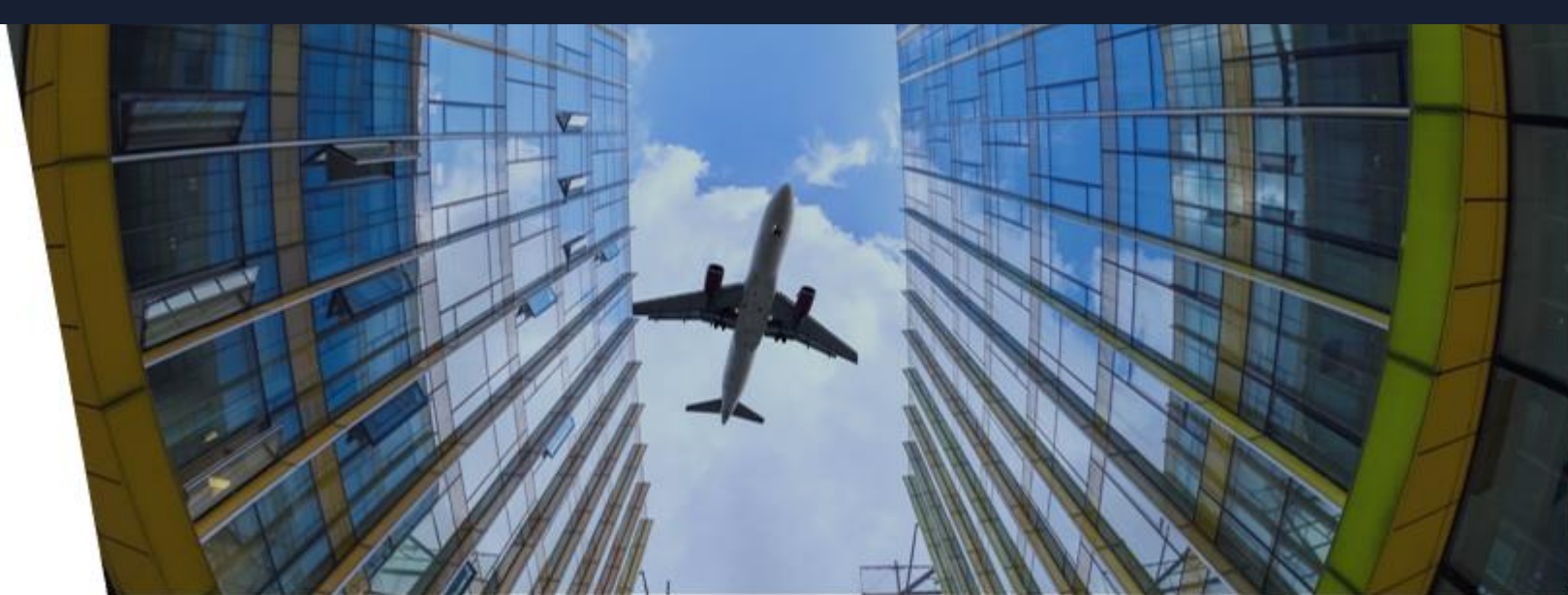


## Glossary – Spending Definitions

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 visitors 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.



## ECONOMIC IMPACT METHODOLOGY

Our analysis of the Ohio 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 Ohio 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

## ECONOMIC IMPACT FRAMEWORK

### DIRECT IMPACTS

Ohio 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

# 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, city, and state 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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