



The Economic Impact of Tourism in Fairfield County, Ohio

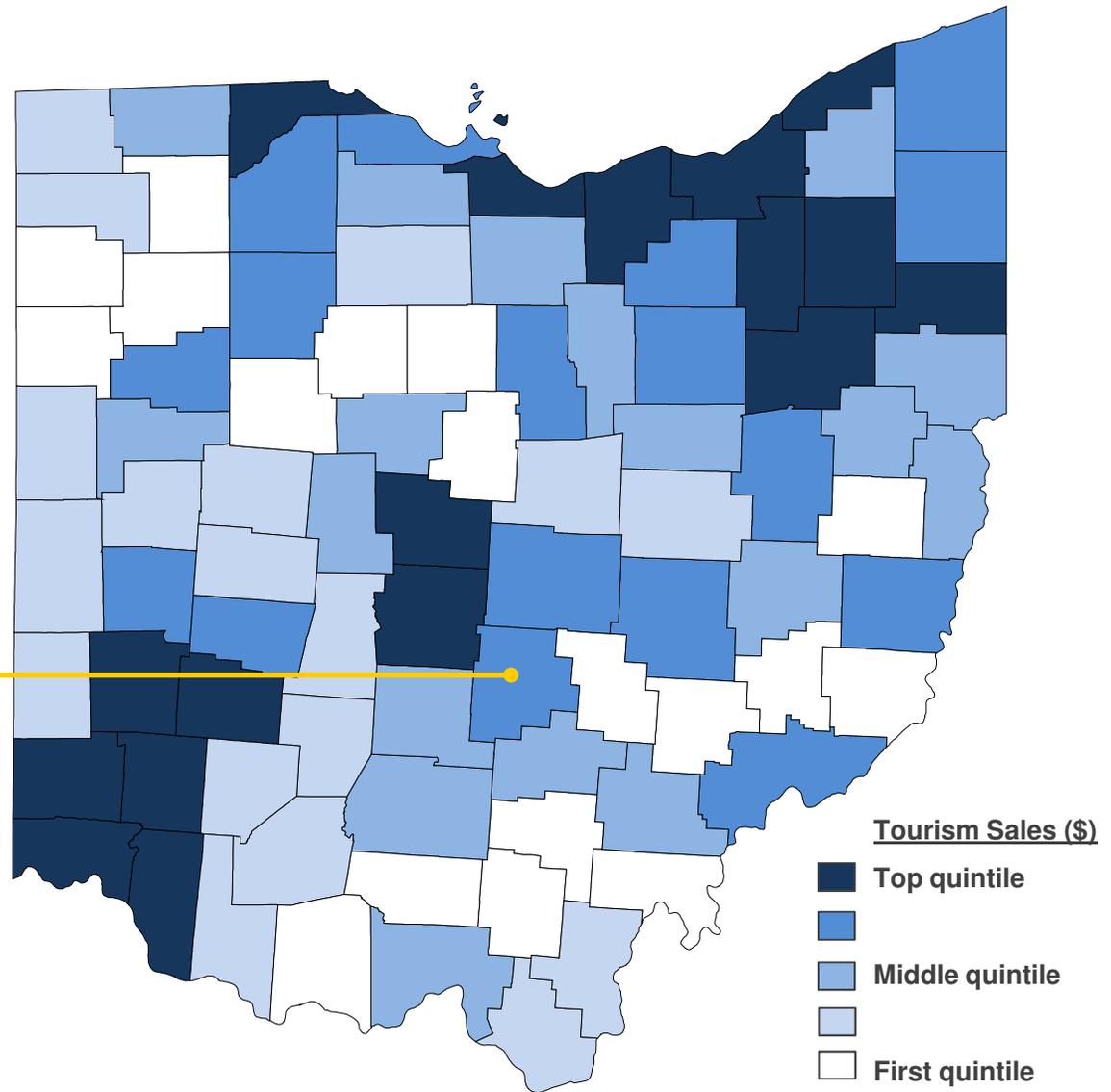
June 2016



Fairfield County tourism summary

Total Tourism Impact	
Fairfield County, Ohio	
Total Sales	\$354.8 million
Wages	\$78.6 million
Taxes	\$52.7 million
Employment	3,959

Fairfield County



Overview

- Tourism is an integral and driving component of the Fairfield County economy, sustaining 7.8% of salaried employment.
- Visitors to Fairfield County generated business sales of over \$354 million, directly and indirectly, in 2015.
- Tourism is a diverse composite of economic activities, including transportation, recreation, retail, lodging, and food & beverage sectors.

State Summary



TOURISM
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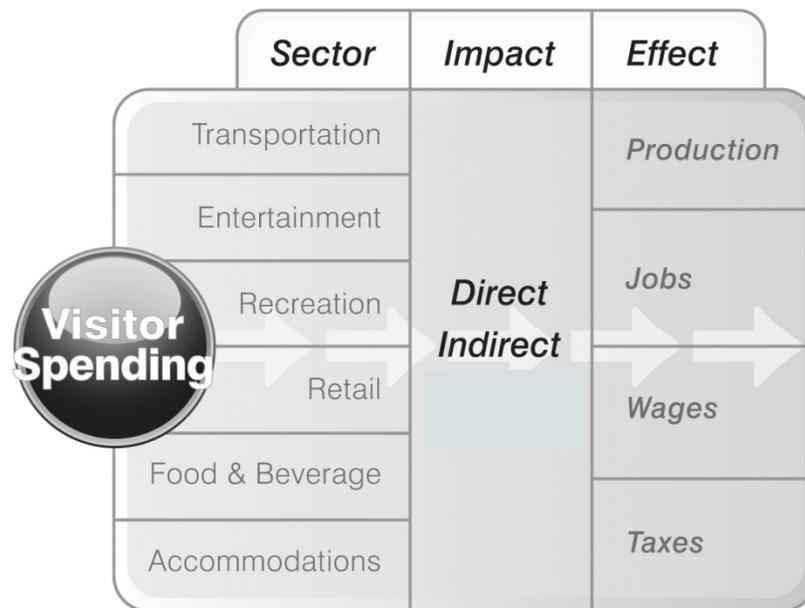
AN OXFORD ECONOMICS COMPANY

Key results

- Including indirect and induced impacts, Ohio tourism spending in 2015 generated \$49.7 billion in sales.
- A total of 484,263 jobs, with income of \$12.6 billion, were sustained by visitors to Ohio last year.
- Tourism employment grew 2.2% in 2015, faster than overall Ohio employment growth of 1.4%.
- Including indirect impacts, tourism in Ohio generated nearly \$3.2 billion in state and local taxes and \$3.1 billion in Federal taxes last year.
- In the absence of the state and local taxes generated by tourism, each Ohio household would need to pay \$690 to fill the gap.

How visitor spending generates impact

- Travelers create direct economic value within a discrete group of sectors (e.g. recreation, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.
- Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts.



How visitor spending generates impact

- An example helps to understand how direct visitor spending has other benefits in the regional economy:
 - Consider a local restaurant. When visitors buy food and beverages at the restaurant, this is direct spending and benefits the restaurant.
 - However, the benefits to the economy do not stop there. In order to make those direct sales, the restaurant must get inputs from its suppliers in other industries, such as food, energy, and any other materials or services that it needs in order to do business. This impact on upstream industries is the indirect effect.

Tourism tax generation

Tourism-Generated Taxes					
(US\$ Million)					
	2011	2012	2013	2014	2015
Federal Taxes	2,587.8	2,741.0	2,802.2	2,965.2	3,092.7
Corporate	465.2	499.3	483.4	536.2	554.8
Indirect Business	236.3	253.6	265.6	278.1	291.4
Personal Income	791.6	834.3	861.6	902.6	942.7
Social Security	1,094.7	1,153.8	1,191.6	1,248.3	1,303.7
State Taxes	1,604.8	1,714.3	1,749.8	1,811.6	1,889.9
Corporate	396.2	425.2	411.6	456.6	472.4
Personal Income	320.3	337.6	348.6	314.2	328.1
Sales	758.9	814.5	852.8	893.1	935.8
State Social Security	57.9	61.0	63.0	66.0	68.9
Excise and Fees	71.6	76.1	73.7	81.8	84.6
Local Taxes	1,118.2	1,151.9	1,175.0	1,221.8	1,272.0
Personal Income	32.0	33.8	34.9	36.5	38.1
Sales	138.0	148.1	155.1	162.4	170.1
Property	726.3	730.6	730.6	730.6	757.5
Admissions	23.6	23.8	25.3	27.1	28.7
Lodging	131.8	144.3	160.1	188.7	198.3
Other Taxes and Fees	66.5	71.3	69.1	76.6	79.2
TOTAL	5,310.8	5,607.2	5,727.0	5,998.6	6,254.6

- Taxes of \$6.25 billion were directly or indirectly generated by tourism in 2015.
- State and local taxes alone tallied \$3.2 billion, growing more than \$125 million in 2015.
- Local governments received \$1.3 billion in revenue from tourism related activity.
- Each household in Ohio would need to be taxed an additional \$690 per year to replace the tourism taxes received by state and local governments.

Central Ohio Detail

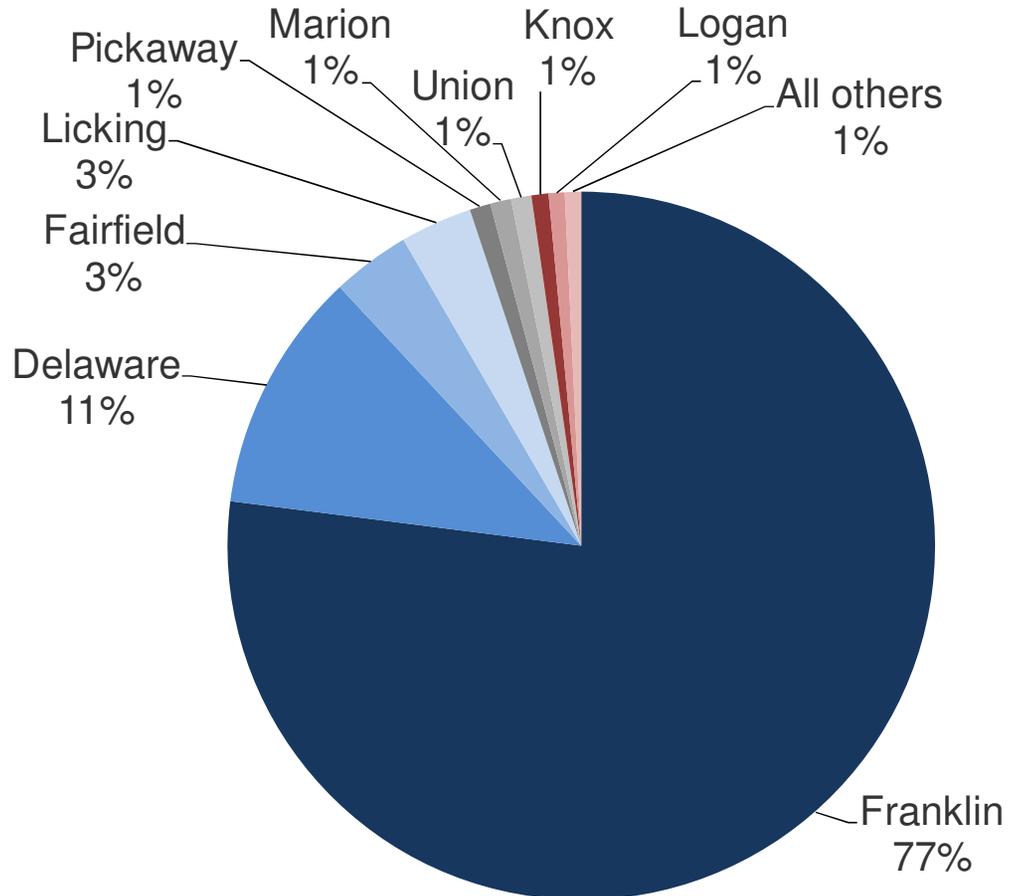
Central Ohio tourism impact

Total Tourism Impact				
County	Sales (\$mils)	Employment	Wages (\$mils)	Tax Revenues (\$mils)
Delaware	1,310.3	11,349	276.2	161.8
Fairfield	354.8	4,560	96.1	52.7
Franklin	9,143.0	68,156	2,112.0	1,131.8
Knox	92.9	1,676	35.0	12.6
Licking	321.4	5,457	117.5	51.2
Logan	86.0	1,459	24.5	11.5
Madison	59.6	874	20.8	8.1
Marion	112.6	1,749	36.9	15.3
Morrow	29.8	519	10.9	4.0
Pickaway	113.4	1,331	30.8	14.6
Union	110.9	1,472	32.0	14.5
Region total	11,872.6	98,601	2,792.7	1,478.1

Central Ohio tourism sales

- Total tourism sales tallied \$11.9 billion in Central Ohio in 2015, up 5.2% from 2014.

Tourism Sales by County: \$11.9 billion



Fairfield County Detail

Lancaster City 2016 Lodging Tax Receipts

(through 12/31/2016)

	<u>2016</u>	<u>2015</u>	<u>\$ +/-</u>	<u>% +/-</u>
City 4th Qtr.	\$ 34,959.69	\$ 34,514.42	\$445.27	1.3%
City 1st Qtr.	\$ 27,935.36	\$ 31,550.08	(\$3,614.72)	-11.5%
City 2nd Qtr.	\$ 43,082.13	\$ 44,681.49	(\$1,599.36)	-3.6%
City 3rd Qtr.	\$ 46,645.53	\$ 43,606.21	\$3,039.32	6.9%
TOTALS	\$ 152,622.71	\$154,352.20	(\$1,729.49)	-0.01%

Tourism sales trend

Recent Trends in Tourism Sales (Output)			
	2013	2014	2015
Fairfield County Direct Sales Trends:			
Sales volume (\$mils)	257.3	267.9	279.7
Sales growth, % change	7.7%	4.1%	4.4%
Sales trends for the wider region and state:			
Central Ohio sales growth, % change	4.5%	6.3%	5.4%
Ohio sales growth, % change	4.6%	4.6%	4.9%

Tourism sales

Tourism Sales (Output) (US\$)			
	Direct*	Indirect	Total
Agriculture, Fishing, Mining	-	2,315,012	2,315,012
Construction and Utilities	-	4,505,599	4,505,599
Manufacturing	-	17,391,473	17,391,473
Wholesale Trade	-	704,265	704,265
Air Transport	85,807	95,180	180,987
Other Transport	20,163,045	4,046,656	24,209,701
Retail Trade	75,813,010	2,278,429	78,091,439
Communications	-	4,320,318	4,320,318
Finance, Insurance and Real Estate	61,211,796	14,622,858	75,834,654
Business Services	-	18,360,743	18,360,795
Education and Health Care	-	61,316	61,316
Recreation and Entertainment	29,263,036	1,328,972	30,592,008
Lodging	21,938,423	455,538	22,393,961
Food & Beverage	71,242,792	1,189,779	72,432,571
Personal Services	-	1,865,859	1,865,857
Government	-	1,556,728	1,556,728
TOTAL	279,717,907	75,098,727	354,816,634

- Visitors generated over \$354 million in business activity in Fairfield County in 2015.

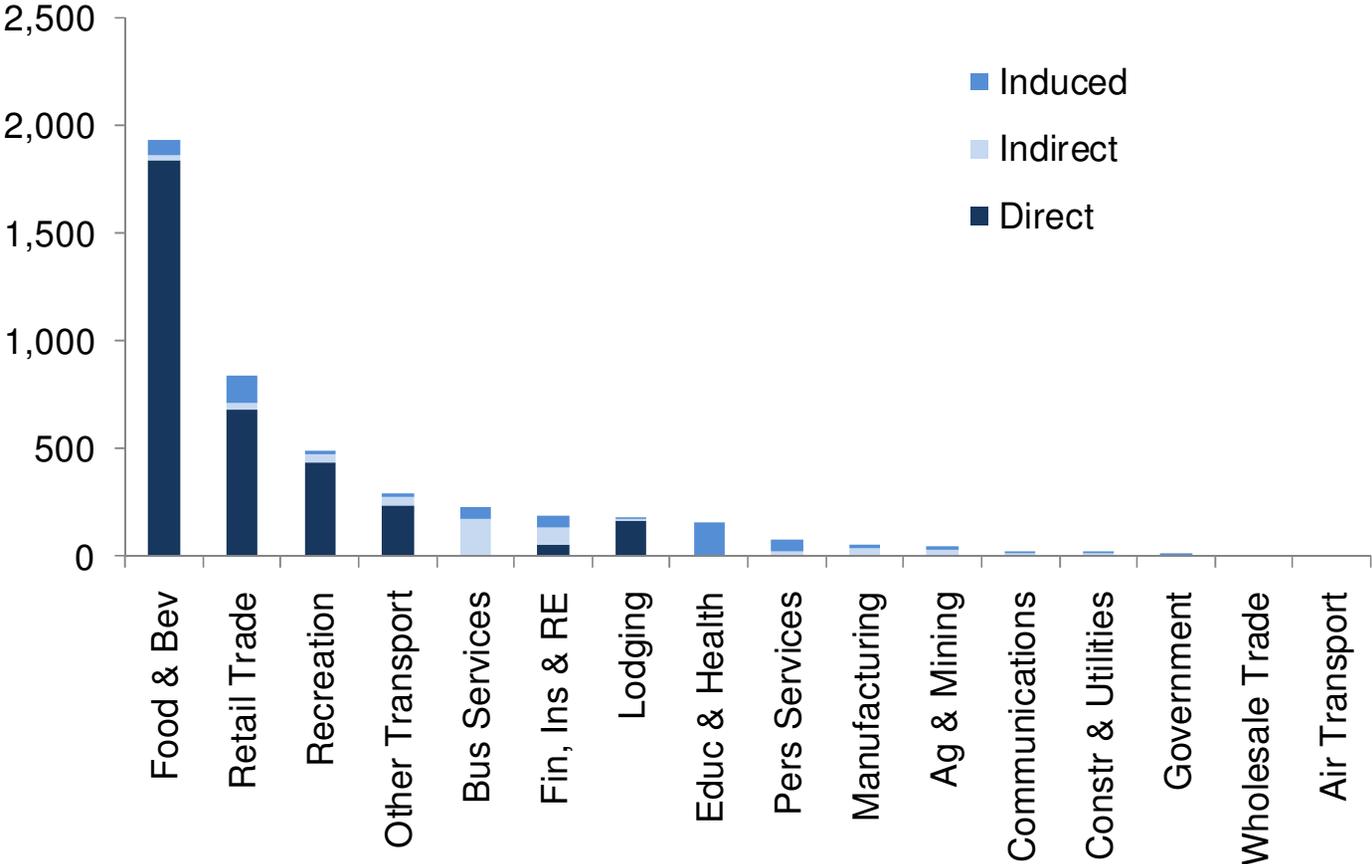
Tourism employment

Tourism Employment			
	Direct*	Indirect	Total
Agriculture, Fishing, Mining	-	34	34
Construction and Utilities	-	18	18
Manufacturing	-	41	41
Wholesale Trade	-	3	3
Air Transport	-	0	0
Other Transport	234	45	295
Retail Trade	682	32	843
Communications	-	18	24
Finance, Insurance and Real Estate	51	87	190
Business Services	-	176	176
Education and Health Care	-	0	0
Recreation and Entertainment	439	33	472
Lodging	165	7	172
Food & Beverage	1,838	25	1,863
Personal Services	-	22	22
Government	-	9	9
TOTAL	3,409	550	3,959

- Tourism supports 1 in every 13 jobs in Fairfield County.

Tourism employment

Tourism Employment By Industry



Tourism tax generation

- The tourism industry generated \$52.7 million in taxes in 2015.
- Tourism generated \$26.7 million in state and local taxes.
 - \$15.9 million in state taxes
 - \$10.9 million in local taxes

Tourism-Generated Taxes	
(US\$)	
	Total
Federal Taxes	25,963,859
State Taxes	15,866,142
Local Taxes	10,879,540
TOTAL	52,709,542

Methodology notes

- Visitor spending data are derived from several sources including:
 - Longwoods International survey of travelers
 - STR data on hotel metrics including room demand, revenues, and occupancy rates
 - Statistics Canada data on spending in Ohio
 - Office of Travel & Tourism Industries estimates of overseas visits to Ohio
 - Sales tax data on lodging, retail, recreation sectors available from the Ohio Department of Taxation
 - Local lodging tax data collected directly from the counties.
- Economic data are compiled by industry from the Bureau of Economic Analysis and Bureau of Labor Statistics. These provide industry detail on employment, value added, and wages by industry.
- The economic impact analysis uses an IMPLAN (www.implan.com) input-output model for the state of Ohio which tracks direct spending by visitors to industries and among industries and households. This estimates indirect (supply chain) impacts and (income effect) impacts as wages are spent in the state economy.

About Tourism Economics

- Tourism Economics, headquartered in Philadelphia, is an Oxford Economics company dedicated to providing high value, robust, and relevant analyses of the tourism sector that reflects the dynamics of local and global economies. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, project feasibility analysis, tourism forecasting models, tourism policy analysis, and economic impact studies.
- Our staff have worked with over 100 destinations to quantify the economic value of tourism, forecast demand, guide strategy, or evaluate tourism policies.
- Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics is founded on a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of more than 100 highly-experienced professional economists; a dedicated data analysis team; global modeling tools; close links with Oxford University, and a range of partner institutions in Europe, the US and in the United Nations Project Link.
- For more information: www.oxfordeconomics.com or info@tourismeconomics.com.

Lancaster City Council Support

- The Visitors & Convention Bureau would like to thank the members of Lancaster City Council for your continued support. We will continue to market the City of Lancaster and all of Fairfield County as a tourist destination and thereby continue to make a positive economic impact on our community.

- Questions?