



The Economic Impact of Tourism in Union County, Ohio

June 2018



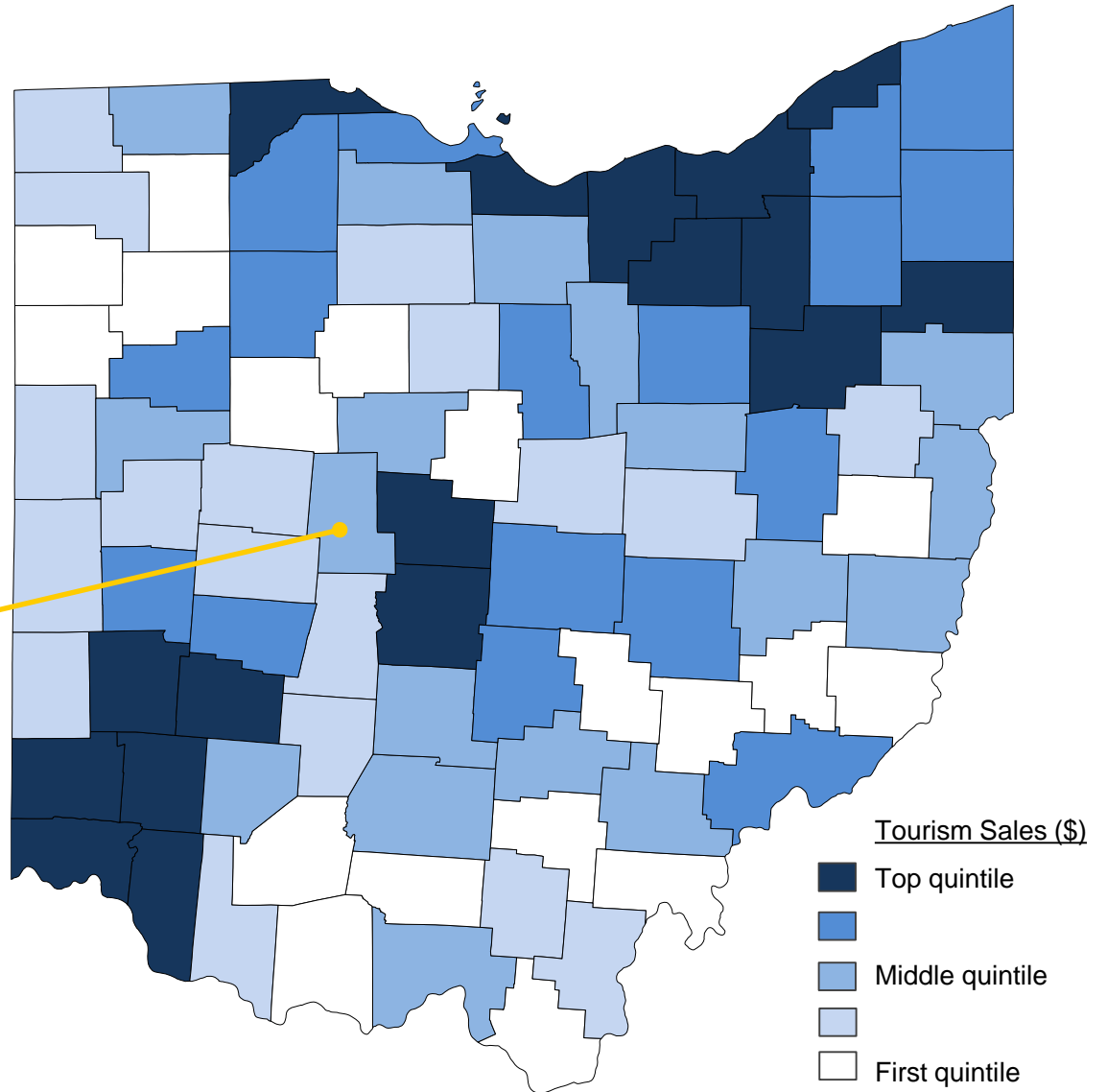
TOURISM
ECONOMICS

AN OXFORD ECONOMICS COMPANY

Union County tourism summary

Total Tourism Impact	
Union County, Ohio	
Total Sales	\$122.6 million
Wages	\$32.5 million
Taxes	\$15.1 million
Employment	1,465

Union
County



Overview

1 Tourism drives jobs in Union County

- Tourism is an integral and driving component of the Union County economy, sustaining 4.1% of private employment.

2 Visitor spending brings in dollars to the local economy

- Visitors to Union County generated business sales of \$122.6 million, directly and indirectly, in 2017.

3 Tourism benefits are diverse

- The benefits of tourism span across various industries, including transportation, recreation, retail, lodging, and food & beverage.

State Summary

Key findings

- As visitor spending growth continues, Ohio tourism's performance both in 2017 and over the life of the current expansion impresses.
 - Visitor spending grew 3.5% in 2017 and has increased nearly 18% over 2013 results.
 - Visitor spending increased by \$1.2 billion in 2017 to reach \$35.2 billion; spending is up by \$5.2 billion since 2013.
 - Ohio visitor volumes grew by 7 million to reach 219 million and have grown by more than 24 million since 2013.
 - Visitor spending growth was led by spending on recreational activities with strong growth in food & beverages as lower gas prices, growing wages, and strong consumer confidence supported travel growth.
- Visitor spending of \$35.2 billion generated \$53.3 billion in total business sales in 2017 as traveler dollars flowed through the Ohio economy.
 - Visitor activity sustained 493,625 jobs in 2017, both directly and indirectly.
 - 1-in-11 jobs in the state is sustained by tourism activity – 8.9% of private non-farm employment in Ohio.
 - Including indirect and induced impacts, tourism in Ohio generated \$3.35 billion in state and local taxes and \$3.3 billion in Federal taxes in 2017.
 - In the absence of the state and local taxes generated by tourism, each Ohio household would need to pay an additional \$725 to maintain the current level of government services.

Growth continues in 2017 as economic conditions help spur travel to Ohio

Key facts about Ohio's tourism sector

Visitation reached 219 million in 2017

Visitor spending rose 3.5% in 2017 to \$35.2 billion

Tourism spending supports 8.9% of all jobs in Ohio

Tourism in Ohio generated \$3.35 billion in state and local taxes in 2017

Key indicators in Ohio 2017

Dollar figures in millions

Tourism spending	\$35,162
Total business sales	\$53,296
Employment sustained by tourism	493,625
Income sustained by tourism	\$13,547
Taxes sustained by tourism	\$6,666
Federal	\$3,315
State	\$1,986
Local	\$1,366

Source: Tourism Economics

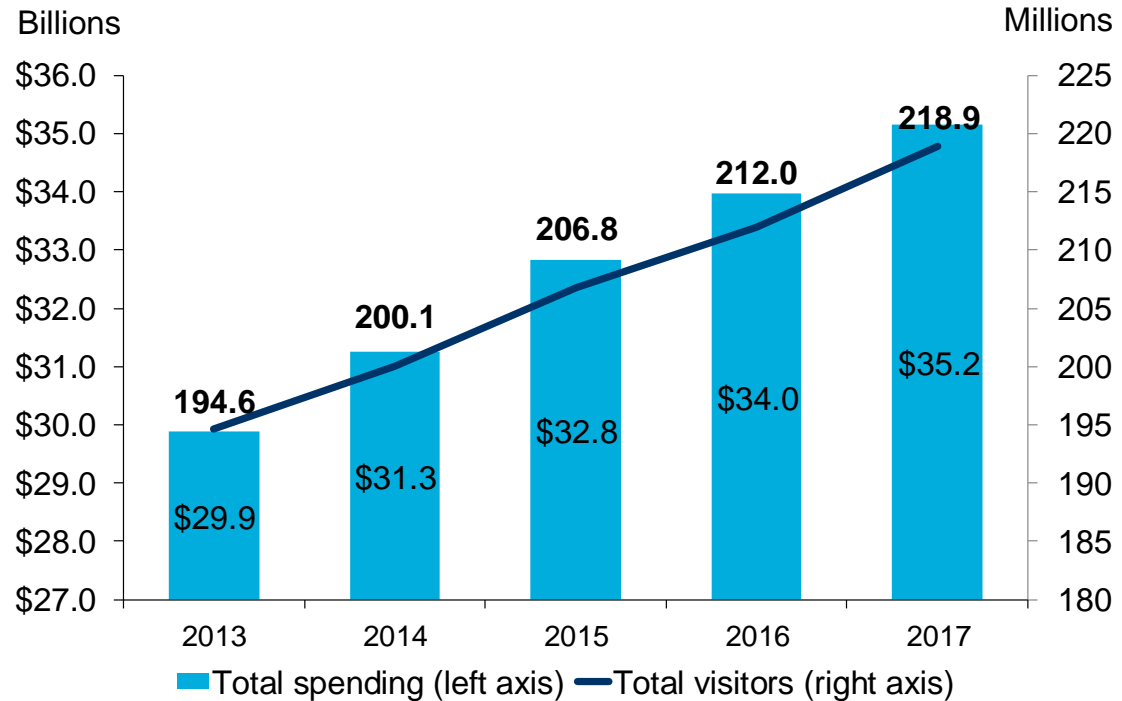
2017 results

219 million visitors traveled to Ohio in 2017, spending \$35.2 billion in the state.

The number of person-trips reached 219 million in 2017.

The steady climb of visitor spending continued in 2017 as increased visitation supported more spending in a very low inflationary period.

Visitation and visitor spending in Ohio



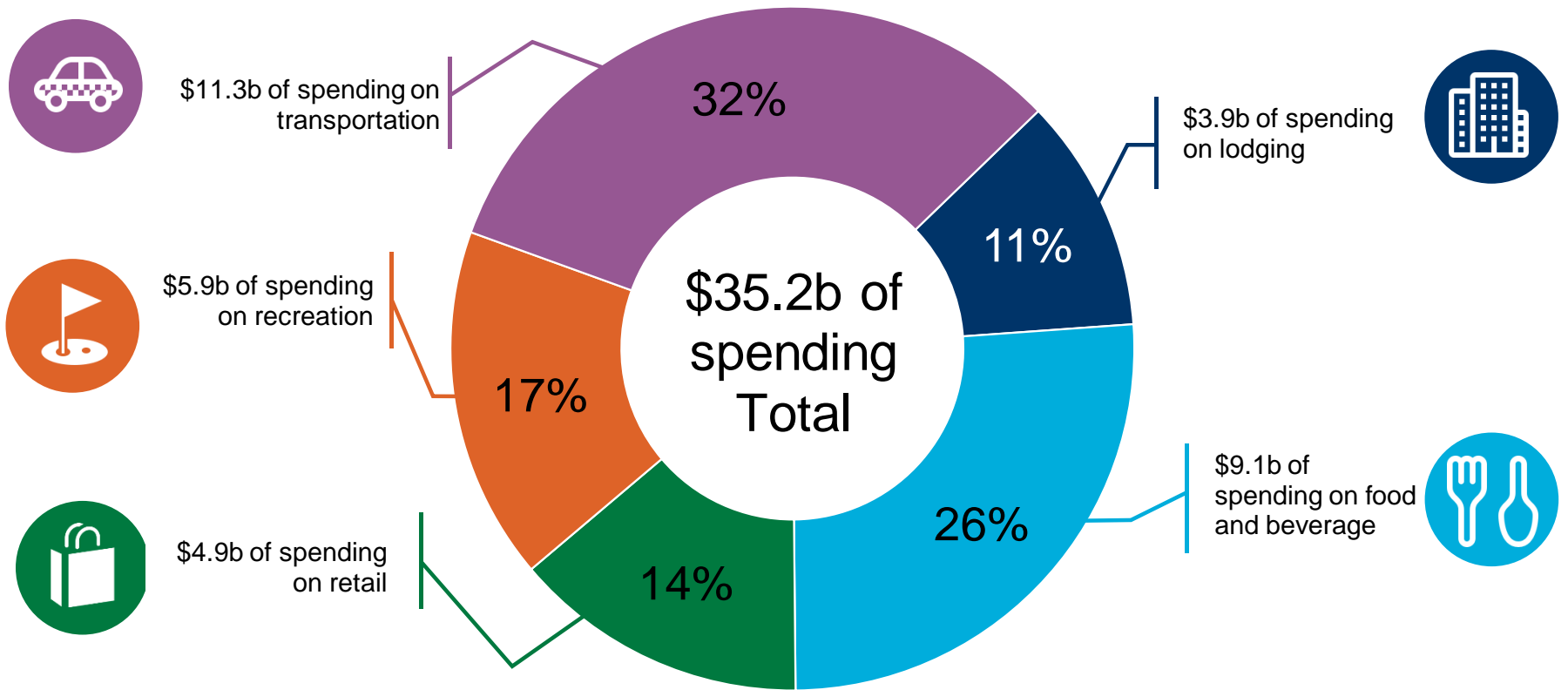
Source: Tourism Economics

Visitor spending in Ohio

Food & beverages spending captures a quarter of all visitor spending.

Visitor spending in Ohio, 2017

Dollars, millions and percent of total



Source: Tourism Economics

How tourism generates impact

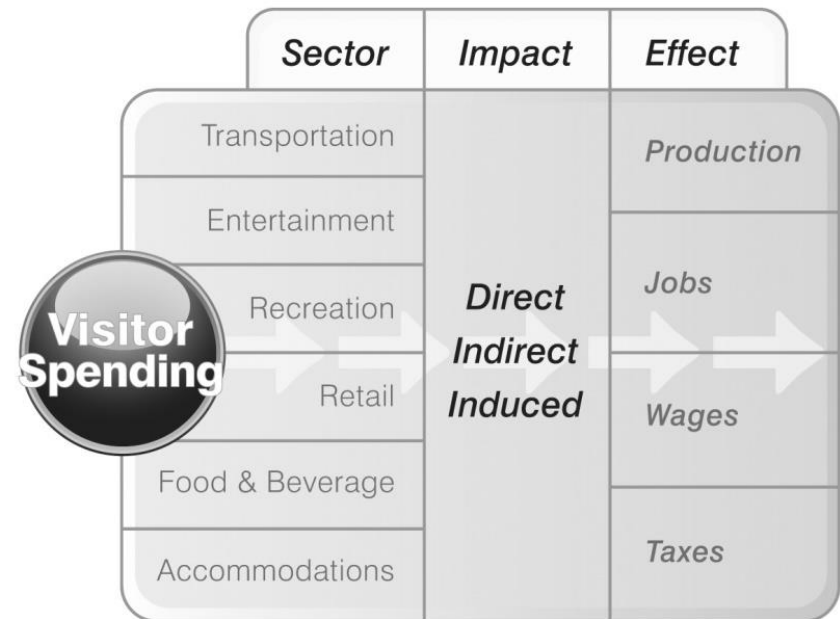
Our analysis of tourism's impact on Ohio starts with actual spending by tourists, but also considers the downstream effects of this injection of spending into the local economy. To determine the total economic impact of tourism in Ohio, we input tourism spending into a model of the Ohio's economy created in IMPLAN. This model calculates three distinct types of impact: direct, indirect, and induced.

- 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.
- Lastly, the **induced** impact is generated when employees whose wages are generated either directly or indirectly by tourism, spend those wages in the local economy.

The impacts on business sales, jobs, wages, and taxes are calculated for all three levels of impact.

Tourism spending flows through the economy and generates economic benefit through multiple channels.

How tourism spending flows through the economy and generates economic benefits



Tourism's impact on business sales (1 of 2)

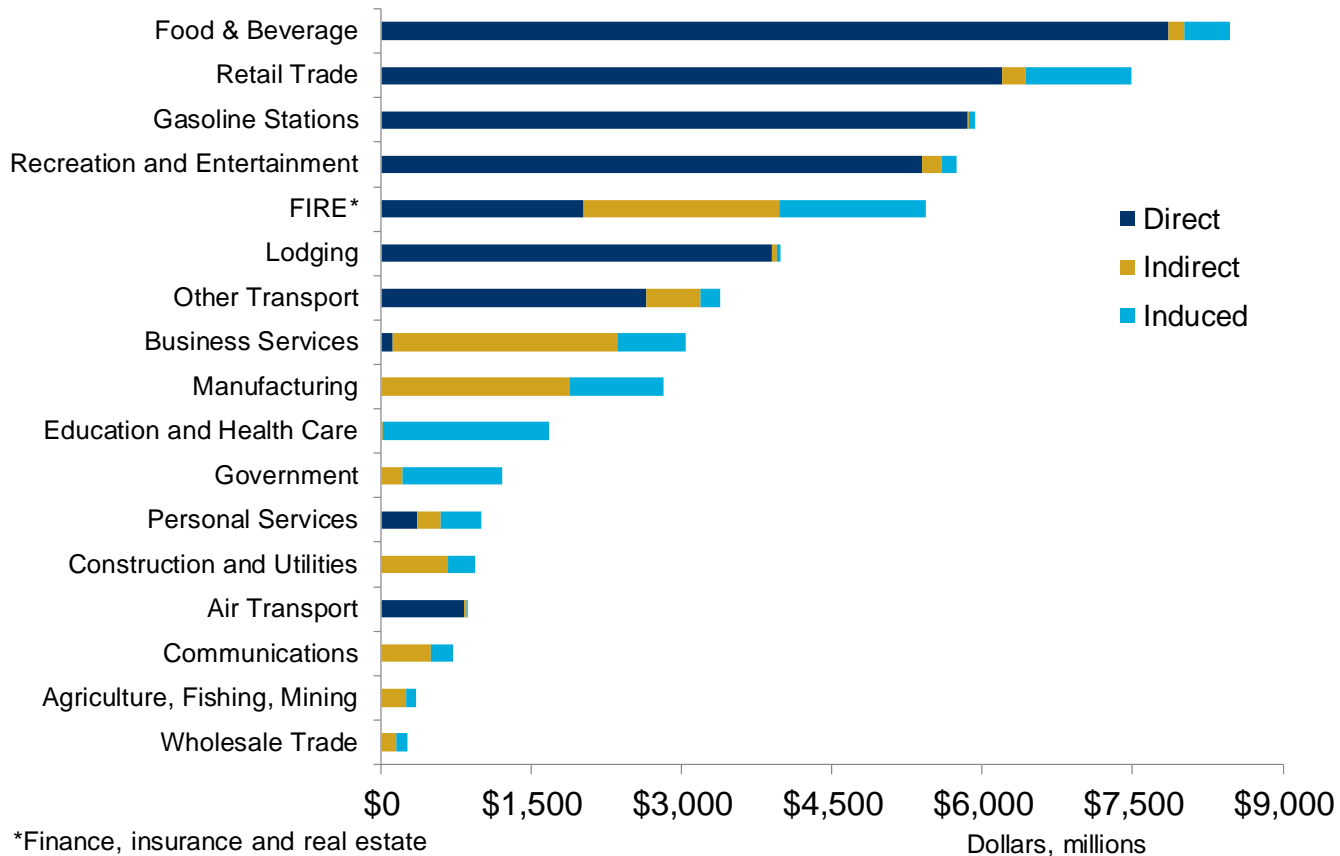
Visitors spent \$35.2 billion in Ohio in 2017. This supported a total of \$53.3 billion in business sales when indirect and induced impacts are considered.

Tourism economy generated business sales, millions				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	250.6	100.5	351.1
Construction and Utilities	-	669.2	268.9	938.0
Manufacturing	-	1,888.8	923.1	2,811.9
Wholesale Trade	-	155.5	102.8	258.2
Air Transport	831.7	19.1	16.0	866.7
Other Transport	2,644.9	537.1	204.4	3,386.4
Retail Trade	6,194.9	241.5	1,051.7	7,488.1
Gasoline Stations	5,848.9	16.3	63.2	5,928.5
Communications	-	489.8	231.1	720.9
Finance, Insurance and Real Estate	2,015.2	1,953.6	1,467.1	5,435.9
Business Services	117.7	2,245.1	672.9	3,035.6
Education and Health Care	-	10.0	1,668.4	1,678.4
Recreation and Entertainment	5,399.0	193.4	146.3	5,738.7
Lodging	3,898.6	47.4	43.8	3,989.8
Food & Beverage	7,858.3	153.4	456.9	8,468.5
Personal Services	353.2	240.1	403.0	996.3
Government	-	213.5	989.3	1,202.8
TOTAL	35,162.3	9,324.4	8,809.2	53,295.9
Growth Rate	3.5%	2.1%	5.2%	3.5%

Tourism's impact on business sales (2 of 2)

While the majority of sales are in industries directly serving visitors, over \$2.2 billion in business sales occurs in business services as a result of their selling to tourism businesses.

Tourism economy generated business sales, 2017



Source: Tourism Economics

Tourism's impact on local employment

Tourism supported a total of 493,625 jobs when indirect and induced impacts are considered.

Tourism economy generated employment				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	2,685	1,024	3,709
Construction and Utilities	-	1,992	461	2,452
Manufacturing	-	3,886	1,726	5,612
Wholesale Trade	-	651	430	1,082
Air Transport	3,364	58	57	3,479
Other Transport	32,850	5,070	1,860	39,779
Retail Trade	44,297	2,964	12,744	60,005
Gasoline Stations	12,348	189	703	13,239
Communications	-	1,833	694	2,527
Finance, Insurance and Real Estate	7,346	9,865	5,803	23,013
Business Services	137	19,473	5,908	25,518
Education and Health Care	-	196	17,137	17,333
Recreation and Entertainment	67,996	3,918	2,176	74,090
Lodging	42,606	596	518	43,720
Food & Beverage	155,410	2,805	7,809	166,024
Personal Services	2,230	2,454	5,791	10,476
Government	-	1,023	545	1,568
TOTAL	368,585	59,658	65,383	493,625
Percent Change	0.5%	1.8%	1.6%	0.8%

Source: Tourism Economics

Tourism's impact on local income

Tourism generated nearly \$8.5 billion in direct income and \$13.5 billion when indirect and induced impacts are added.

Tourism economy generated income, millions				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	62.7	28.1	90.8
Construction and Utilities	-	180.5	63.9	244.4
Manufacturing	-	240.5	112.3	352.8
Wholesale Trade	-	43.4	32.6	76.0
Air Transport	290.0	6.2	5.7	301.8
Other Transport	919.5	259.8	93.5	1,272.7
Retail Trade	958.0	88.9	363.6	1,410.5
Gasoline Stations	309.5	5.0	18.4	332.9
Communications	-	114.7	44.9	159.7
Finance, Insurance and Real Estate	193.8	363.8	260.3	817.9
Business Services	7.5	952.0	286.6	1,246.1
Education and Health Care	-	4.5	760.4	764.9
Recreation and Entertainment	1,736.8	70.9	53.5	1,861.2
Lodging	1,226.5	17.2	14.1	1,257.8
Food & Beverage	2,787.7	49.9	138.4	2,975.9
Personal Services	48.3	86.2	153.9	288.3
Government	-	64.2	29.6	93.8
TOTAL	8,477.5	2,610.2	2,459.8	13,547.5
Percent Change	3.5%	4.2%	3.7%	3.7%

Source: Tourism Economics

Tourism's impact on taxes

Tax revenue of \$6.7 billion was directly and indirectly generated by tourism in 2017.

State and local taxes alone tallied \$3.35 billion in 2017.

Each household in Ohio would need to be taxed an additional \$725 per year to replace the traveler taxes received by state and local governments.

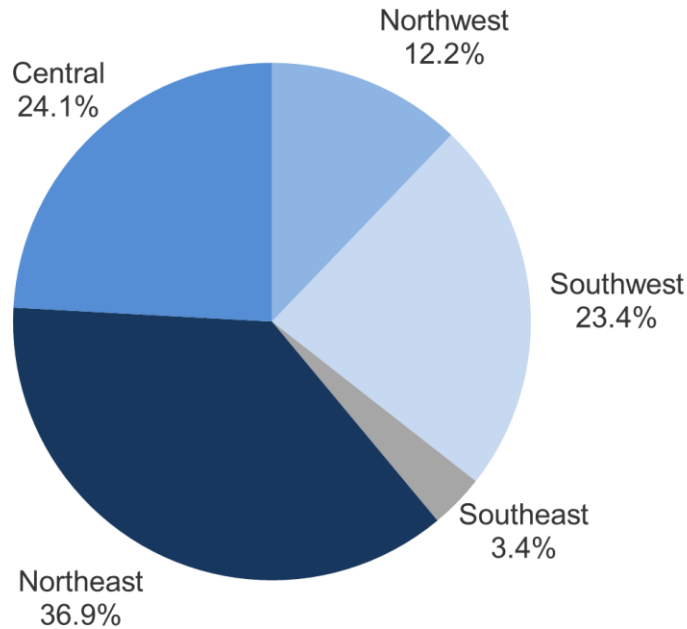
Visitor spending, visitor supported jobs, and business sales generated \$6.7 billion in governmental revenues.

Tourism-Generated Taxes						
(US\$ Million)						
	2012	2013	2014	2015	2016	2017
Federal Taxes	2,741.0	2,802.2	2,949.2	3,085.2	3,200.8	3,314.8
Corporate	499.3	483.4	536.0	553.9	567.7	578.0
Indirect Business	253.6	265.6	278.2	291.7	301.7	307.6
Personal Income	834.3	861.6	896.0	939.8	978.3	1,016.3
Social Security	1,153.8	1,191.6	1,239.1	1,299.7	1,353.0	1,412.9
State Taxes	1,714.3	1,749.8	1,808.4	1,888.5	1,950.6	1,985.6
Corporate	425.2	411.6	456.4	471.6	483.4	470.2
Personal Income	337.6	348.6	311.5	326.7	340.1	351.4
Sales	814.5	852.8	893.3	936.9	969.0	1,003.2
State Social Security	61.0	63.0	65.5	68.7	71.5	72.4
Excise and Fees	76.1	73.7	81.7	84.5	86.6	88.4
Local Taxes	1,151.9	1,175.0	1,221.6	1,272.0	1,321.8	1,365.5
Personal Income	33.8	34.9	36.3	38.0	39.6	40.6
Sales	148.1	155.1	162.4	170.3	176.2	182.4
Property	730.6	730.6	730.6	757.5	785.4	814.3
Admissions	23.8	25.3	27.1	28.7	29.1	30.1
Lodging	144.3	160.1	188.7	198.3	210.5	215.1
Other Taxes and Fees	71.3	69.1	76.6	79.1	81.1	82.9
TOTAL	5,607.2	5,727.0	5,979.2	6,245.6	6,473.2	6,665.8

Regional Summary

Tourism sales

Tourism Sales by Region



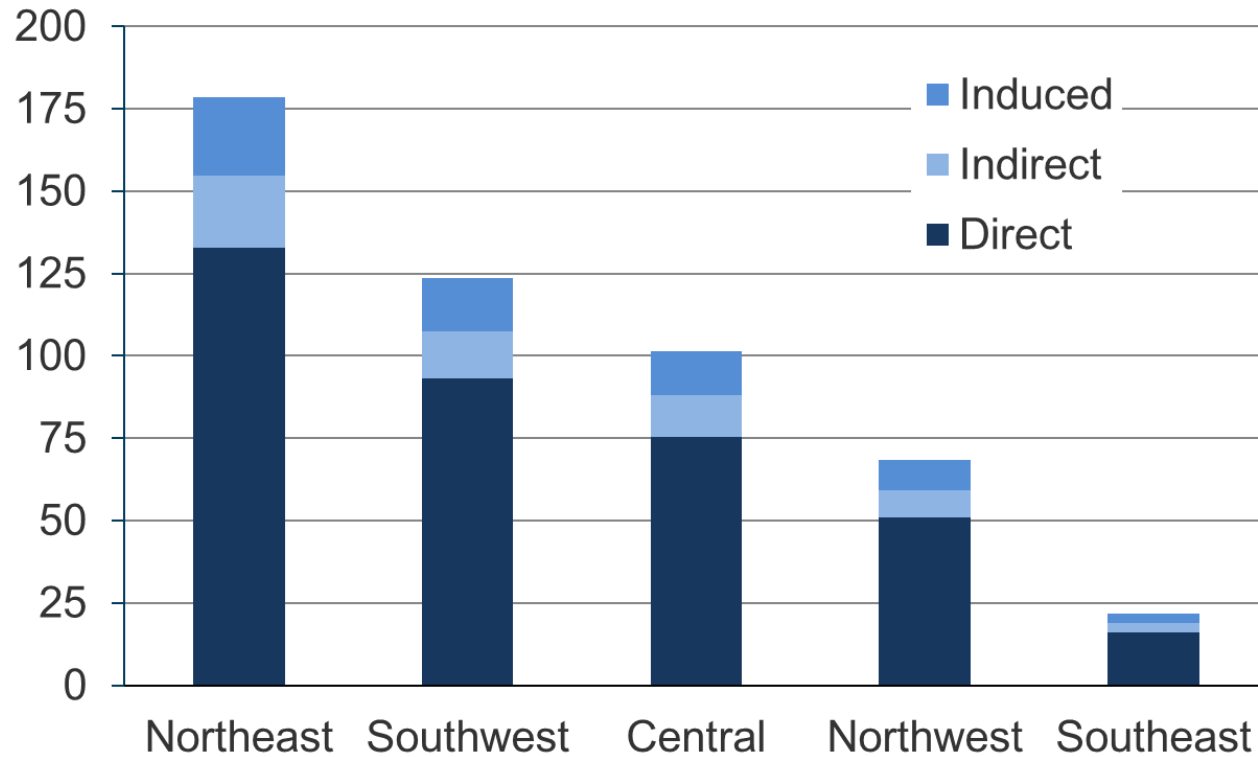
Cleveland (Northeast), Columbus (Central), and Cincinnati (Southwest), are key destinations and influence the distribution of the tourism economy across Ohio.

Relative to the size of their economies, tourism is still of significant importance to the Northwest and Southeast regions.

Tourism employment

Tourism Employment by Region

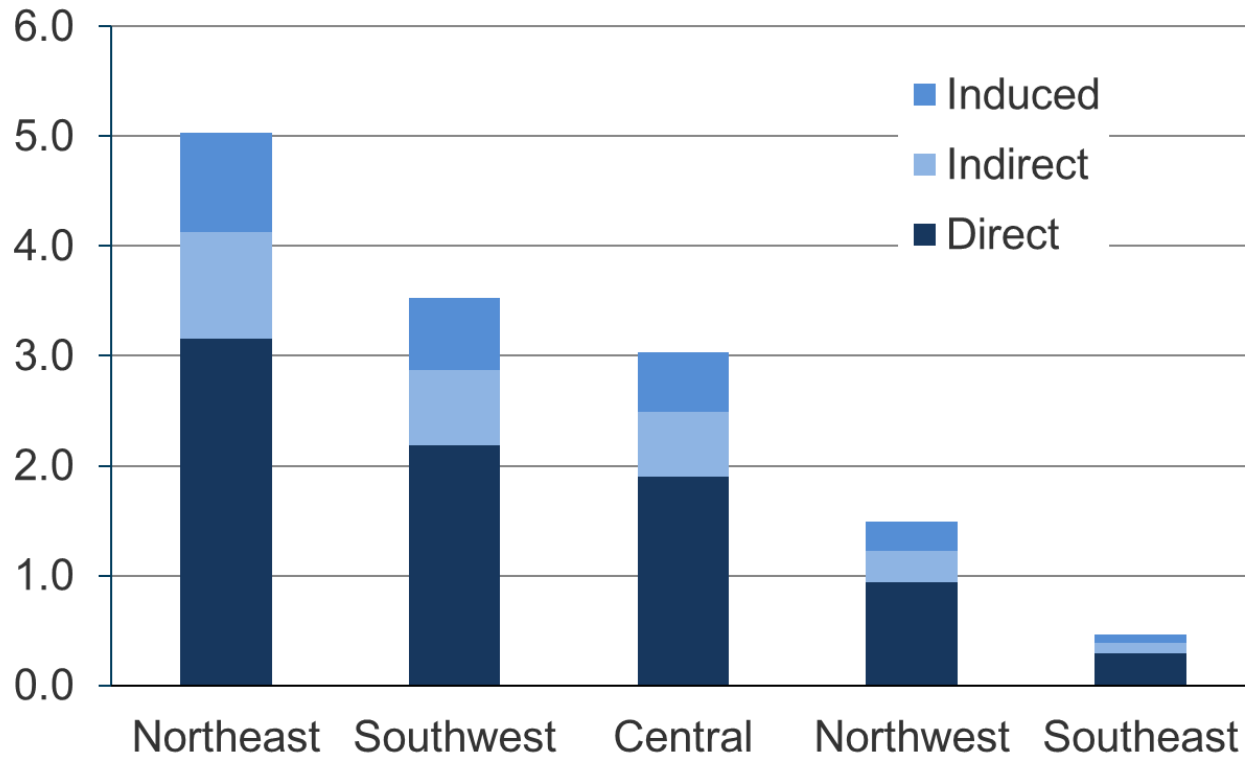
Thousands



Tourism wages

Tourism Wages by Region

\$ Billions



Central Ohio Detail

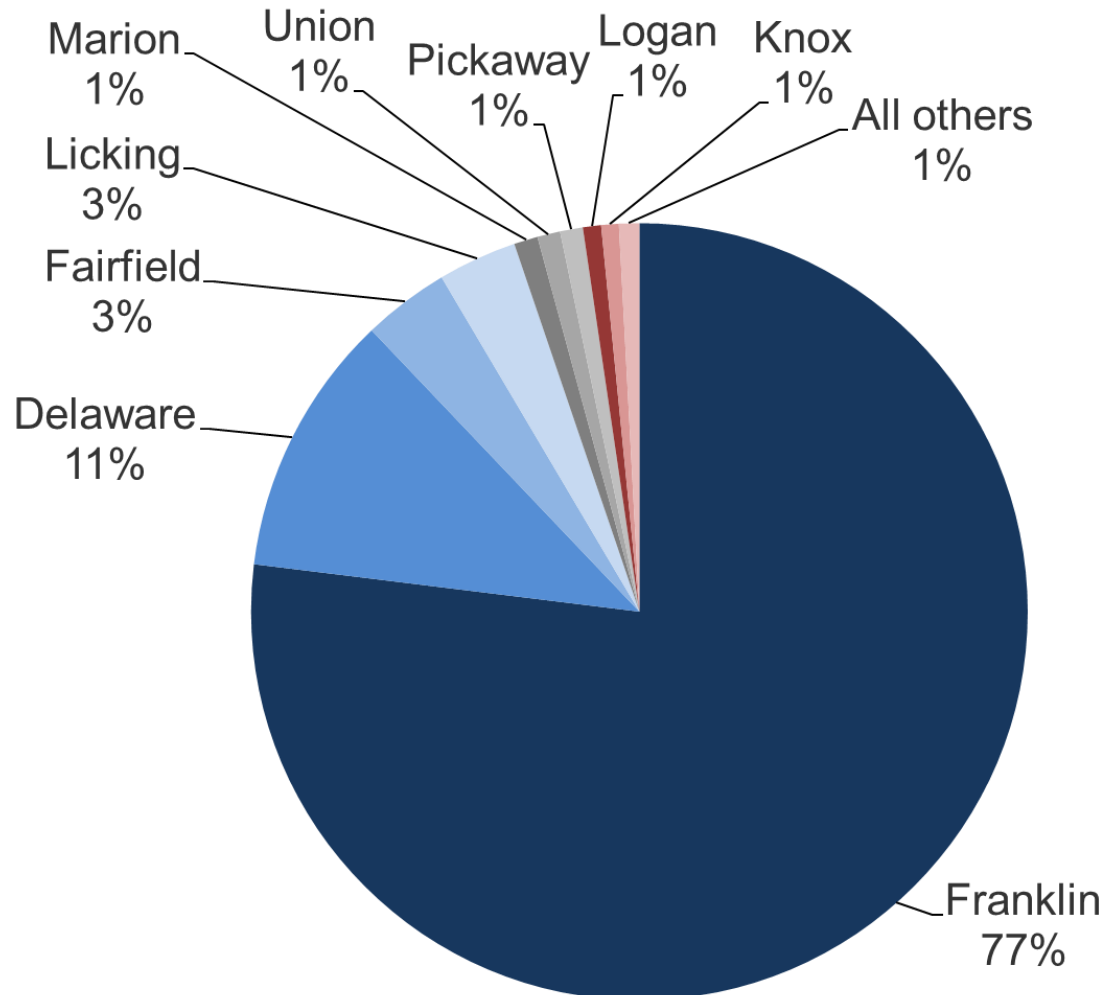
Central Ohio tourism impact

Total Tourism Impact				
County	Sales (\$mils)	Employment	Wages (\$mils)	Tax Revenues (\$mils)
Delaware	1,407.9	11,557	295.5	167.8
Fairfield	463.6	4,693	103.9	56.0
Franklin	9,898.8	70,424	2,308.8	1,247.6
Knox	94.0	1,545	33.4	12.1
Licking	422.6	5,704	127.0	53.5
Logan	97.0	1,513	26.3	11.8
Madison	69.5	900	21.4	8.6
Marion	127.3	1,842	40.1	16.1
Morrow	38.9	576	11.9	4.6
Pickaway	122.2	1,314	32.3	15.0
Union	122.6	1,465	32.5	15.1
Region total	12,864.4	101,534	3,033.1	1,608.2

Central Ohio tourism sales

Total tourism sales amounted to \$12.9 billion in 2017, up 4.8% from 2016.

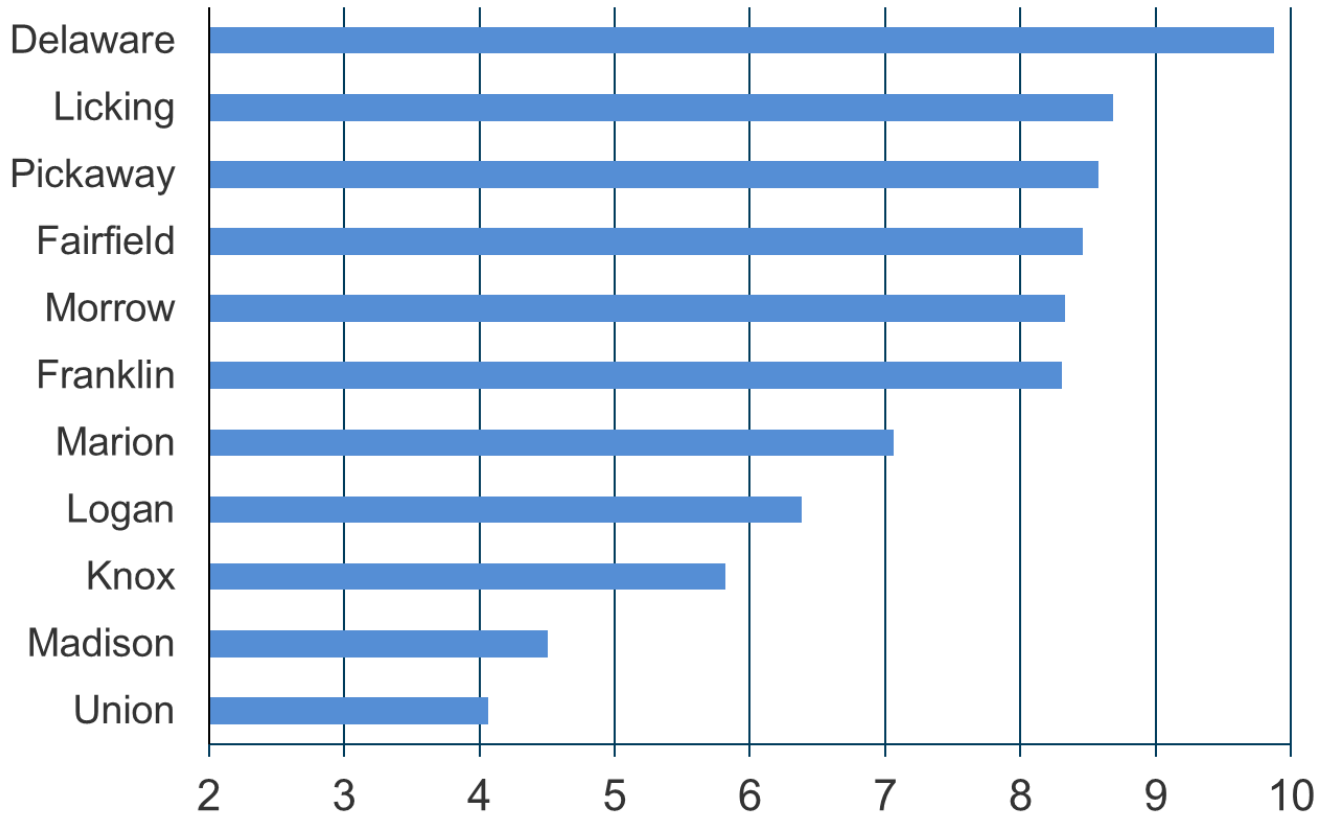
Tourism Sales by County: \$12.9 billion



Central Ohio tourism employment

Tourism Share of Employment

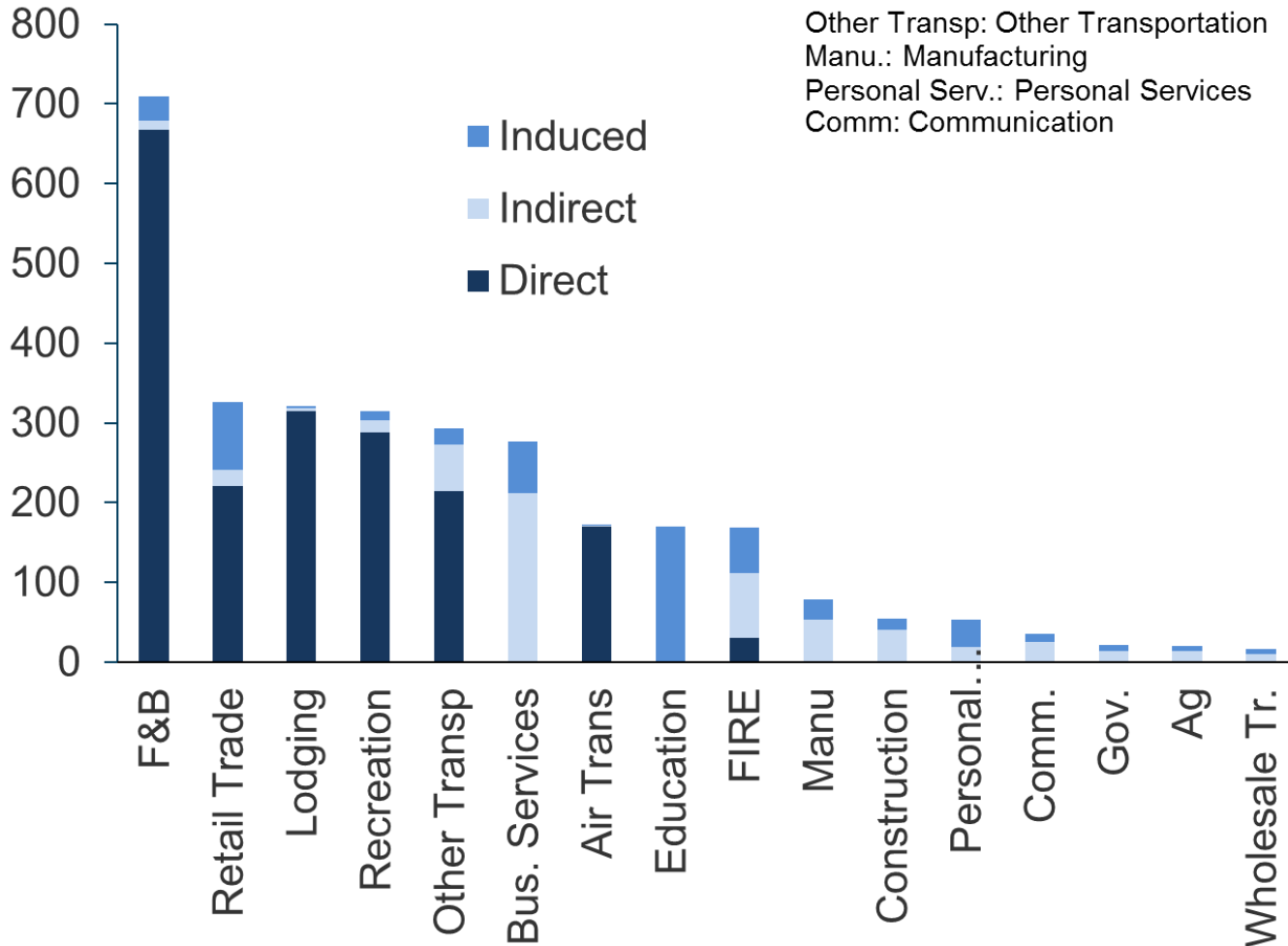
Share of private employment, %



Central Ohio tourism wages

Wages by Industry

\$ millions



Union County Detail

Tourism sales trends

Recent Trends in Tourism Sales (Output)			
	2015	2016	2017
Union County Direct Sales Trends:			
Sales volume (\$mils)	73.2	75.8	79.3
Sales growth, % change	2.5%	3.6%	4.6%
Sales trends for the wider region and state:			
Central Ohio sales growth, % change	5.4%	3.8%	3.8%
Ohio sales growth, % change	4.9%	3.6%	3.5%

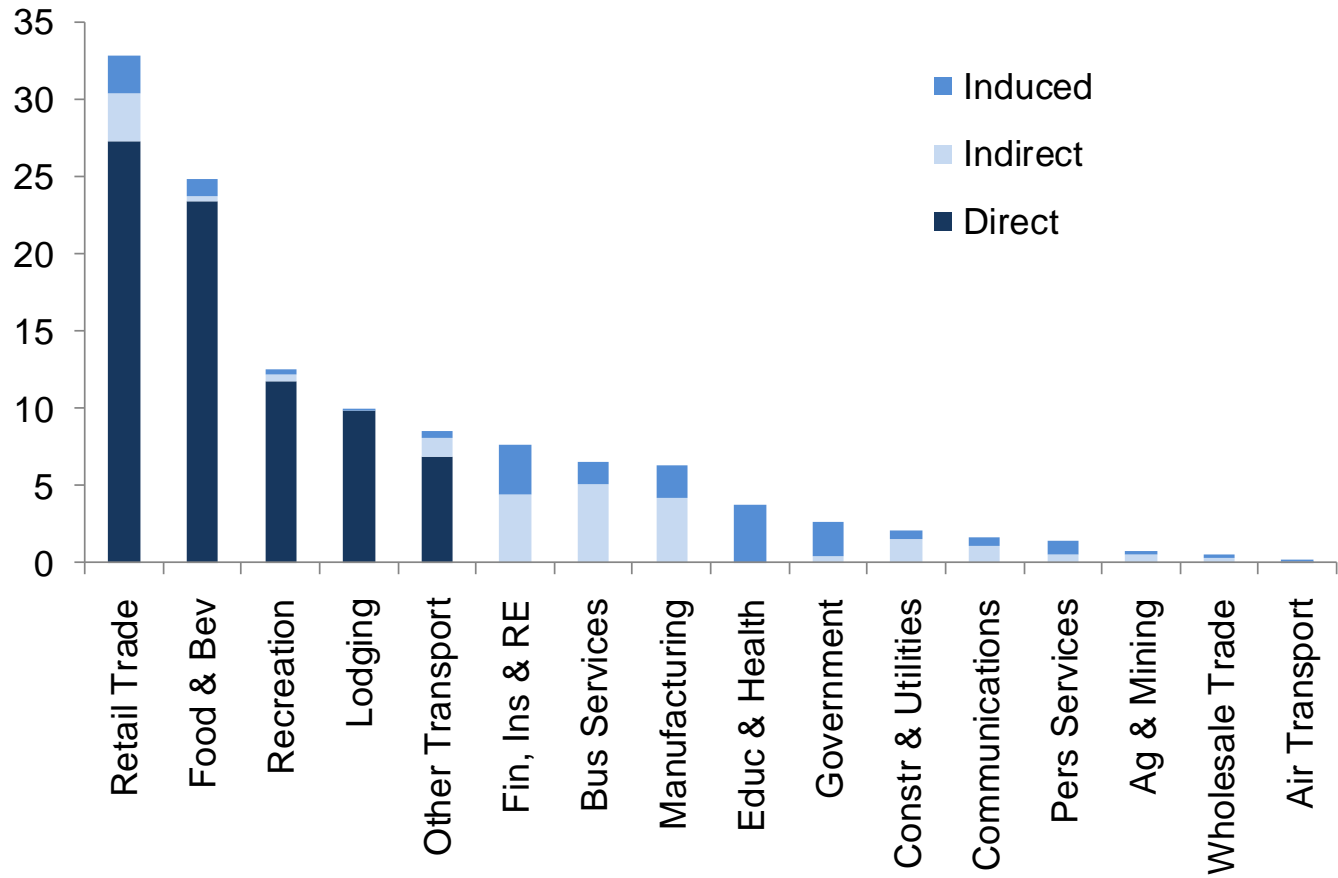
Tourism sales

Visitors generated \$122.6 million in business activity in Union County in 2017.

Tourism Sales (Output)				
(US\$)				
	Direct*	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	564,094	226,844	790,938
Construction and Utilities	-	1,506,534	606,727	2,113,260
Manufacturing	-	4,252,446	2,083,015	6,335,462
Wholesale Trade	-	349,992	231,949	581,941
Air Transport	34,895	43,052	36,015	113,962
Other Transport	6,888,688	1,209,114	461,360	8,559,161
Retail Trade	27,359,766	3,022,861	2,516,061	32,898,688
Communications	-	1,102,688	521,451	1,624,140
Finance, Insurance and Real Estate	-	4,398,241	3,310,739	7,708,980
Business Services	-	5,054,416	1,518,378	6,572,794
Education and Health Care	-	22,603	3,764,951	3,787,554
Recreation and Entertainment	11,749,691	435,395	330,093	12,515,179
Lodging	9,821,182	106,742	98,774	10,026,699
Food & Beverage	23,433,906	345,404	1,030,946	24,810,257
Personal Services	-	540,641	909,365	1,450,006
Government	-	480,738	2,232,388	2,713,127
TOTAL	79,288,129	23,434,962	19,879,057	122,602,148

Tourism Sales By Industry

\$ Millions

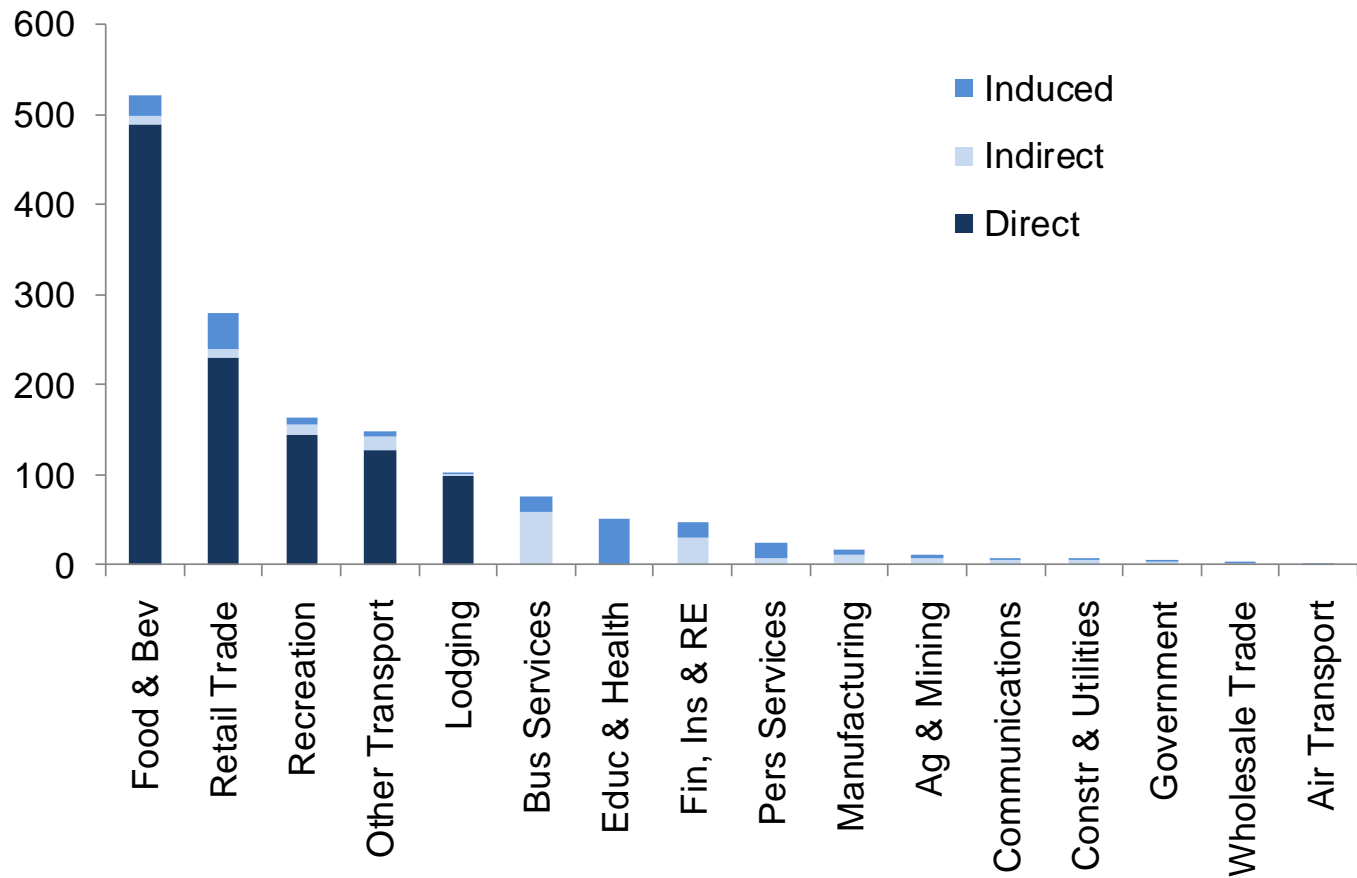


Tourism employment

Tourism supports 1 in every 25 jobs in Union County.

Tourism Employment				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	8	3	11
Construction and Utilities	-	6	1	7
Manufacturing	-	12	5	17
Wholesale Trade	-	2	1	3
Air Transport	-	0	0	0
Other Transport	127	15	6	148
Retail Trade	230	10	40	279
Communications	-	6	2	8
Finance, Insurance and Real Estate	-	30	17	47
Business Services	-	59	18	76
Education and Health Care	-	1	51	52
Recreation and Entertainment	145	12	6	163
Lodging	99	2	2	103
Food & Beverage	490	8	23	521
Personal Services	-	7	17	25
Government	-	3	2	5
TOTAL	1,091	180	195	1,465

Tourism Employment By Industry



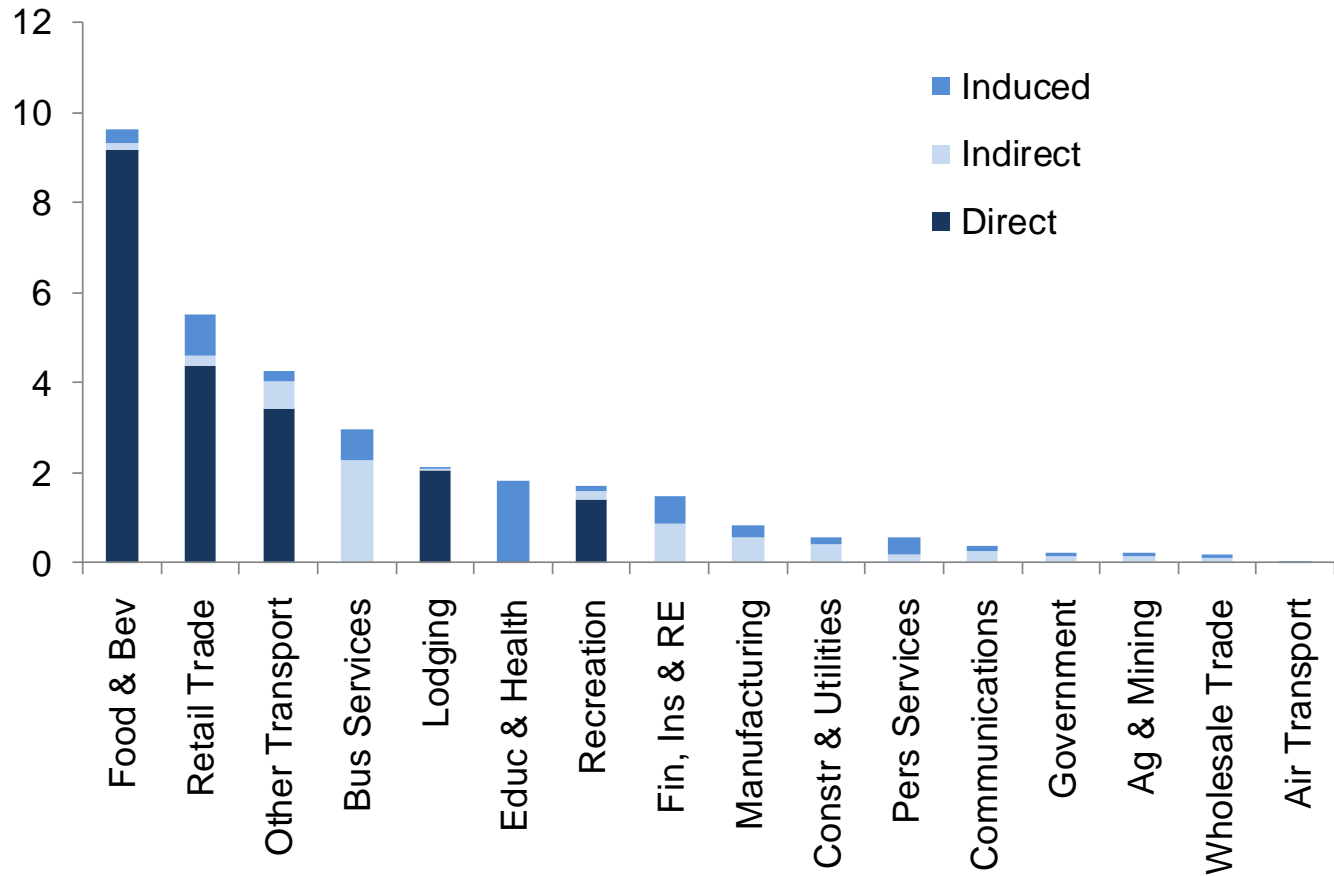
Tourism income

Tourism generated personal income of \$32.5 million in 2017.

Tourism Income (Compensation)				
(US\$)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	150,163	66,905	217,067
Construction and Utilities	-	432,153	152,202	584,356
Manufacturing	-	575,794	267,522	843,315
Wholesale Trade	-	103,934	77,537	181,471
Air Transport	-	14,847	13,501	28,348
Other Transport	3,411,829	621,941	222,689	4,256,459
Retail Trade	4,370,851	224,724	909,616	5,505,191
Communications	-	274,686	106,989	381,675
Finance, Insurance and Real Estate	-	870,954	619,908	1,490,861
Business Services	-	2,279,249	682,473	2,961,722
Education and Health Care	-	10,723	1,810,785	1,821,508
Recreation and Entertainment	1,419,002	169,682	127,458	1,716,143
Lodging	2,035,263	41,136	33,502	2,109,901
Food & Beverage	9,191,244	119,424	329,557	9,640,225
Personal Services	-	206,341	366,397	572,738
Government	-	153,623	70,501	224,124
TOTAL	20,428,189	6,249,374	5,857,540	32,535,104

Tourism Earnings By Industry

\$ Millions



Tourism tax generation

Tourism generated \$15.1 million in taxes in 2017, including \$7.6 million in state and local taxes.

Tourism-Generated Taxes	
(US\$)	
	Total
Federal Taxes	7,570,030
State Taxes	4,550,233
Local Taxes	3,022,440
TOTAL	15,142,703

Methodology notes

County level economic impact estimates are derived from the State of Ohio tourism economic impact report, also produced by Tourism Economics. Visitor spending estimates are based on several sources including:

- Visitor profile and spending estimates from Longwoods International, an international consumer research firm.
- 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 at the county level, 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 spending by visitors to industries and among industries and households. This estimates indirect (supply chain) impacts and induced (income effect) impacts as wages are spent in the state economy.

About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of tourism dynamics with rigorous economics in order to answer the most important questions facing destinations, developers, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, tourism forecasting models, tourism policy analysis, and economic impact studies.

With over four decades of experience of our principal consultants, it is our passion to work as partners with our clients to achieve a destination's full potential.

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 enjoys a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of more than 200 professional economists; a dedicated data analysis team; global modeling tools, and a range of partner institutions in Europe, the US and in the United Nations Project Link. Oxford Economics has offices in London, Oxford, Dubai, Philadelphia, and Belfast.

For more information:

info@tourismeconomics.com

