Dean Runyan Associates

Arizona Travel Impacts
1998-2015p

Photo courtesy of Arizona Office of Tourism

June 2016

Prepared for the

Arizona Office of Tourism
Phoenix, Arizona

ARIZONA TRAVEL IMPACTS
1998-2015P

Arizona Office of Tourism

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Portland, Oregon

June 2016

EXECUTIVE SUMMARY

This report describes the economic impacts of travel to and through Arizona and the state's fifteen counties. The estimates of the direct impacts associated with traveler spending in Arizona were produced using the Regional Travel Impact Model (RTIM) developed by Dean Runyan Associates. The estimates for Arizona are generally comparable to the U.S. Travel and Tourism Satellite Accounts produced by the Bureau of Economic Analysis. The estimates of spending, earnings, employment and tax receipts are also used as input data to derive estimates of other economic measures, including gross domestic product (GDP) and secondary effects of the travel industry.

TWO CONSECUTIVE YEARS OF STRONG GROWTH FOR THE ARIZONA TRAVEL INDUSTRY

The Arizona travel industry had its second consecutive year of exceptionally strong growth, following mostly modest increases in spending and related impacts since the recession of 2007 to 2009.

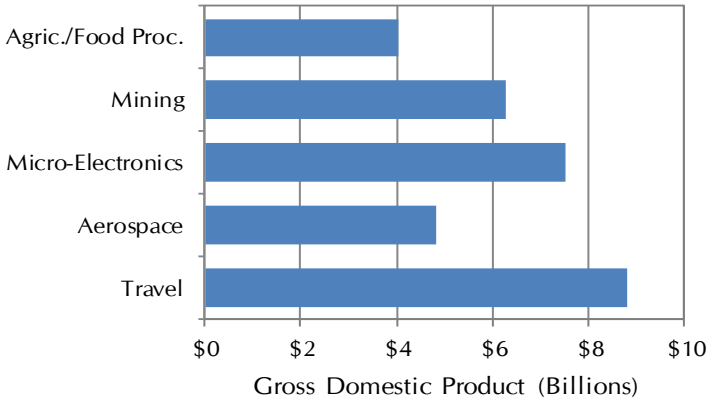
- ***Spending.*** Total direct travel spending in Arizona was $21.0 billion in 2015. The increase was only 1.3 percent because of the significant decline in motor fuel prices. Non-transportation visitor spending increased by 5.6 percent, following a 5.0 percent increase from 2013 to 2014. Over the past two years, travel spending in real (inflation-adjusted) dollars has increased by 3.9 percent per year. Real travel spending increased by 1.8 percent per year during the preceding four year period (2009 through 2013).
- ***Travel Activity.*** Visitor air travel on domestic flights to Arizona destinations increased by 5.4 percent in 2015, following a 3.9 percent increase the preceding year.[1] Room demand increased by 4.2 percent for the year, following a similar increase the preceding year.[2]
- ***Employment.*** Direct travel-generated employment was 179,600 in 2015. This represents an addition of 6,900 jobs. Employment has increased by 4.1 percent per year over the past two years.
- ***Secondary Impacts.*** The re-spending of travel-related revenues by businesses and employees creates secondary impacts. In 2015, the secondary impacts were 154,300 jobs with $6.6 billion in earnings.
- ***GDP.*** The Gross Domestic Product of the travel industry was $8.8 billion in 2015. The travel industry and the microelectronics industry have been the top two export-oriented industries in the state in recent years.

[1] U.S. Department of Transportation Origin and Destination Survey.
[2] STR, Inc.

THE ARIZONA TRAVEL INDUSTRY IS A LEADING EXPORT-ORIENTED INDUSTRY

Travel and tourism is one of the most important ***"export-oriented"*** industries in Arizona. Spending by visitors generates sales in lodging, food services, recreation, transportation and retail businesses – the "travel industry." These sales support jobs for Arizona residents and contribute tax revenue to local and state governments. Travel is especially important in the non-metropolitan areas of the state, where manufacturing and traded services are less prevalent.

Selected Arizona Export-Oriented Industries, 2015



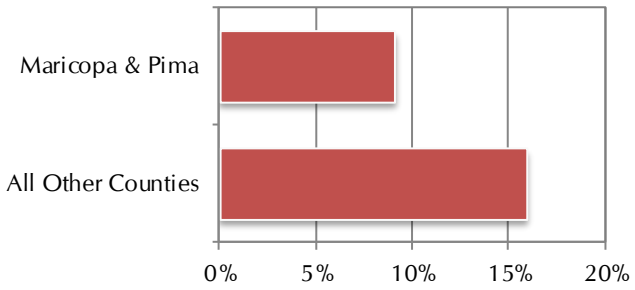
Note: Preliminary 2015 estimates by Dean Runyan Associates.
Agriculture includes food and beverage processing industries.

THE TRAVEL INDUSTRY GENERATES TAX BENEFITS FOR ARIZONA RESIDENTS

In 2015, the travel industry generated $1,180 in local, state and federal tax receipts for each Arizona household.

- In 2015, more than seven percent of all local and state tax revenues were generated by the travel industry.
- The tax revenue impacts of the Arizona travel industry are relatively more important in non-urban counties (see graph).

State Transaction Privilege Taxes Generated By Direct Travel Spending, 2015 FY



ARIZONA TRAVEL IMPACTS, 1998-2015P

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PREFACE

The purpose of this study is to document the economic significance of the travel industry in Arizona from 1998 to 2015. These findings show the level of travel spending by visitors traveling to and within the state, and the impact this spending had on the economy in terms of earnings, employment and tax revenue.

Dean Runyan Associates prepared this study for the Arizona Office of Tourism. Dean Runyan Associates has specialized in research and planning services for the travel, tourism and recreation industry since 1984. With respect to economic impact analysis, the firm developed and currently maintains the Regional Travel Impact Model (RTIM), a proprietary computer model for analyzing travel economic impacts at the state, regional and local level. Dean Runyan Associates also has extensive experience in project feasibility analysis, market evaluation, survey research and travel and tourism planning.

Many individuals and organizations provided data and assistance for this report. State agencies include the Department of Revenue, Commerce Authority, Gaming Commission and State Parks. Information was also provided by the College of Business and Public Administration at the University of Arizona and the School of Hotel and Restaurant Management at Northern Arizona University. Federal agencies that provided essential data for this report include the Bureau of Economic Analysis, the Department of Labor, the Department of Transportation, the U.S. Forest Service, and the National Park Service.

Special thanks are due to Ralph Coleman, Jr., Director of Research, and Colleen Floyd, Research Manager for the Arizona Office of Tourism. Without their support and assistance, this report would not have been possible.

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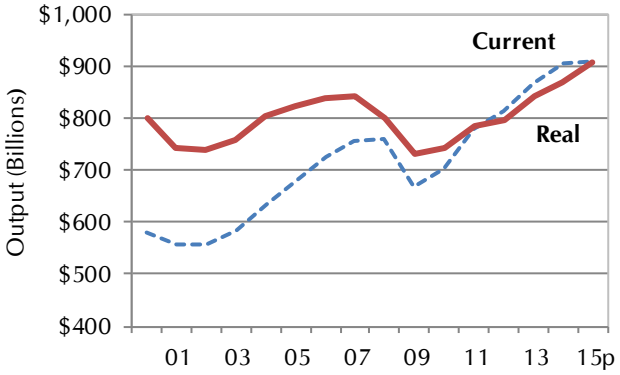
I. U.S. TRAVEL

The national level data in this section focuses on visitor spending trends in current and real dollars, resident and foreign visitor spending in the U.S., and trends in travel-generated employment.

The following two graphs are derived from the Bureau of Economic Analysis Travel and Tourism Satellite Accounts.[1] Both graphs show direct tourism output for the United States – spending by resident and foreign visitors. The 2015 values are preliminary.

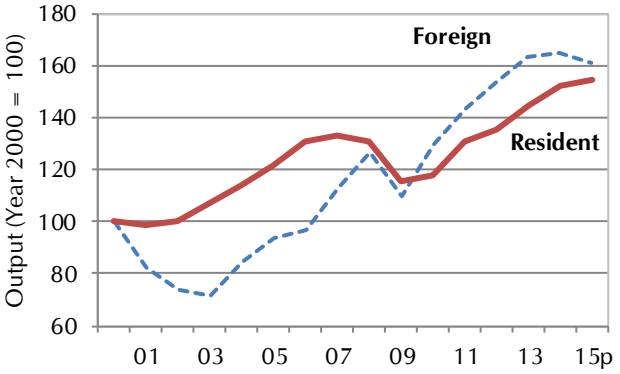
Annual Direct Travel Spending in U.S., 2000-15p



Spending by resident and foreign visitors was $909 billion in 2015 in current dollars. This reflects virtually no increase over 2014, largely due to lower prices for motor fuel. When adjusted for changes in prices (real dollars), spending increased by 4.4 percent from 2014 to 2015 – compared to a 3.1 for the preceding year.

Spending by Foreign* and Resident Travelers in U.S.

(Current Dollars; Year 2000 = 100)



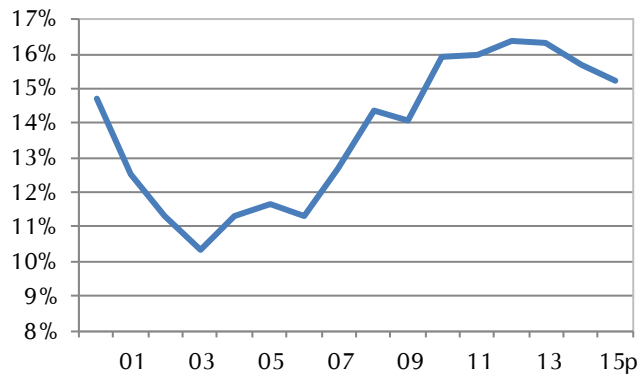
*Note: Foreign visitor spending does not include expenditures on health and educational services or expenditures by short term seasonal workers.

The bottom chart compares the change in current dollar spending by resident and foreign visitors since 2000. In 2015, the increase in spending by resident visitors (1.4 percent) exceeded the increase in foreign visitor spending (-2.2 percent). This is the second consecutive year that resident spending growth was greater than foreign.

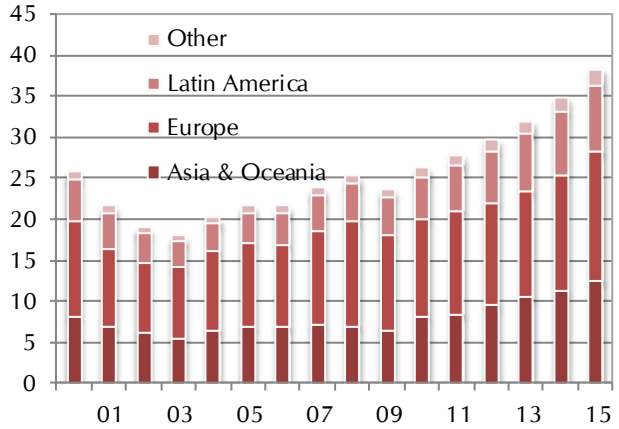
[1] See http://www.bea.gov/industry/index.htm#satellite.

The top left chart shows that the foreign share of U.S. internal travel has declined over the past two years because of the lower rate of growth of foreign visitor spending (shown in preceding chart).[2] However, as the graph on the right indicates, overseas arrivals to the U.S. have been increasing. Much of the explanation for the declining foreign share of internal travel in the U.S. is due to the increasing value of U.S. currency (see bottom left chart). As the value of foreign currencies fall relative to the U.S. dollar, foreign visitors have less money to spend on U.S. goods and services.

Foreign Share of U.S. Internal Travel Spending

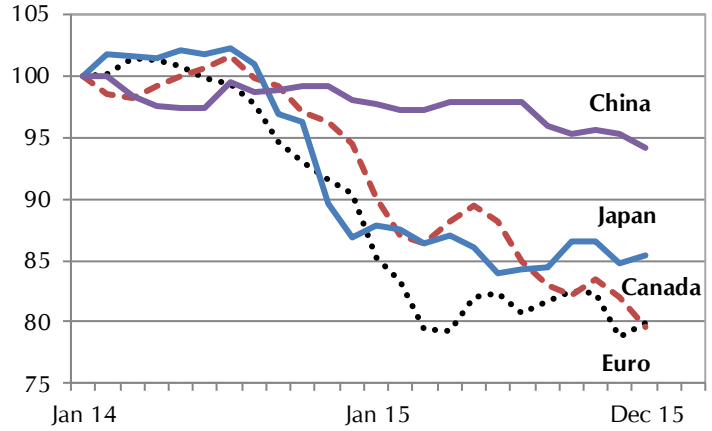


Overseas Arrivals (Millions)



Relative Value of Selected Foreign Currencies compared to U.S. Dollar

Monthly Averages, 2014 through 2015



Sources:

Foreign Share of U.S Internal Travel: Bureau of Economic Analysis Travel & Tourism Satellite Accounts and International Transactions.

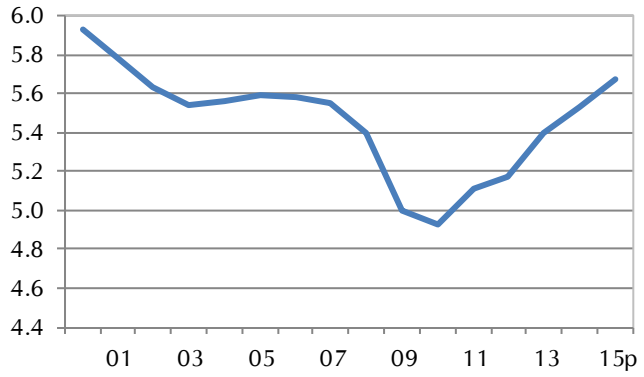
Overseas Arrivals: Office of Travel and Tourism Industries, U.S. Department of Commerce. Note: Arrivals for 2014 and 2015 are somewhat greater than preceding years due to a change in processing methodology.

Relative Value of Selected Foreign Currencies: USForex, Inc. (www.usforex.com)

[2] Internal travel does not include spending on international airfares to U.S carriers.

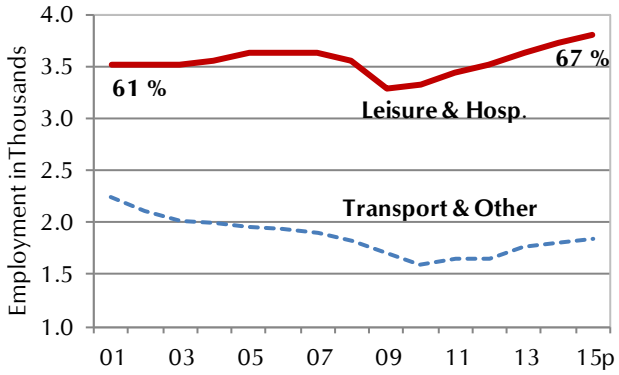
The following two graphs show employment trends since 2000. The first graph shows that travel-generated employment has increased at a steady rate since 2010. Travel industry employment has now recovered to the level immediately preceding the 2008-09 recession, although it is still below its peak earlier in that decade. Part of the reason for this is shown in the second graph. Leisure and hospitality employment was 3.8 million in 2015 or 67 percent of total travel industry employment, compared to 3.6 million in 2000 or 61 percent of the total. Most of this growth was due to food services employment. However, employment in transportation and other industries declined over the same period from 2.3 million to 1.8 million, mostly due to decreased employment in the airline and related transportation industries.

U.S. Travel Industry Employment



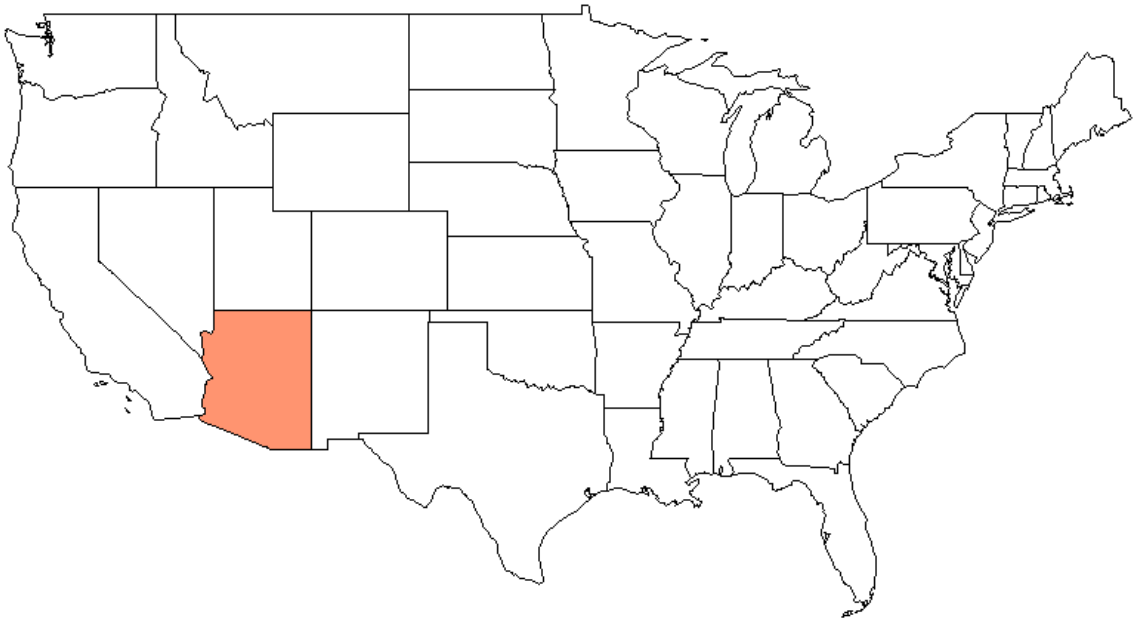
Source: Bureau of Economic Analysis Travel & Tourism Satellite Accounts.

Components of U.S. Travel Industry Employment



Source: See above graph. Leisure & hospitality includes accommodations, food services, and arts, entertainment & recreation. Transportation and other includes retail and all other industries.

II. ARIZONA TRAVEL



The multi-billion dollar travel industry in Arizona is an important part of the state and local economies. The industry is represented primarily by businesses in the leisure and hospitality sector, transportation, and retail. The money that visitors spend on various goods and services while in Arizona produces business receipts at these firms, which in turn generate earnings and employment for Arizona residents. In addition, state and local governments collect taxes that are generated from visitor spending. Most of these taxes are imposed on the sale of goods and services to visitors, thus avoiding a tax burden on local residents.

The economic impacts directly generated by visitor spending also contribute to significant secondary impacts. A portion of the business receipts generated by visitor spending is spent by businesses within Arizona for other goods and services (indirect impacts). Visitor generated earnings are also spent by employees for goods and services produced in Arizona (induced impacts).

SUMMARY OF ARIZONA TRAVEL

- Total direct travel spending in Arizona was $21.0 billion in 2015. The increase was only 1.3 percent because of the significant decline in motor fuel prices. Non-transportation visitor spending increased by 5.6 percent, following a 5.0 percent increase from 2013 to 2014. Over the past two years, travel spending in real (inflation-adjusted) dollars has increased by 3.9 percent per year. Real travel spending increased by 1.8 percent per year during the preceding four year period (2009 through 2013).
- Lodging sales increased by 12.4 percent in 2015 following a 9.1 percent increase the preceding year. The strong growth in room sales over that past two years has been equally attributable to increased room rates and room demand (STR, Inc.).
- Visitor air travel on domestic flights to Arizona destinations increased by 5.4 percent in 2015, following a 3.9 percent increase the preceding year. Visitor air arrivals to the state were essentially flat from 2009 through 2013.
- Direct travel-generated employment was 179,600 in 2015. This represents an addition of 6,900 jobs, an increase of 4.0 percent. Jobs were added in all major sectors of the travel industry. (See detailed employment estimates, page 17.)
- The Gross Domestic Product of the travel industry was $8.8 billion in 2015. The travel industry and the microelectronics industry have been the top two export-oriented industries in the state in recent years.
- The re-spending of travel-related revenues by businesses and employees creates secondary impacts. In 2015, the secondary impacts were 154,300 jobs with $6.6 billion in earnings.

TRAVEL TRENDS

The Arizona travel industry had its second consecutive year of strong growth. Although travel spending increased by only 1.3 percent from 2014 to 2015, following a 4.1 percent increase the preceding year, the decline in the rate of growth was primarily due to lower motor fuel prices. Non-transportation visitor spending increased by 5.6 percent in 2015, compared to a 5.0 percent increase the preceding year.[1] Earnings, employment and tax revenue have also experienced substantial growth over the past two years.

Direct Travel Impacts, 2000-2015p

						Ave. Annual % Chg.	
	2000	**2005**	**2010**	**2014**	**2015p**	**14-15p**	**00-15p**
Spending ($Billions)							
Total (Real 2015$)	17.4	19.7	18.8	20.2	21.0	4.1%	1.3%
Total (Current $)	13.7	16.9	17.8	20.8	21.0	1.3%	2.9%
Other	1.7	1.9	2.0	2.6	2.6	0.3%	3.0%
Visitor	12.1	15.0	15.7	18.2	18.5	1.5%	2.9%
Non-transportation	9.4	11.1	11.1	12.7	13.4	5.6%	2.4%
Transportation	2.7	3.9	4.6	5.5	5.1	-8.1%	4.3%
Earnings ($Billions)							
Earnings (Current $)	3.9	4.6	5.0	5.8	6.2	6.7%	3.2%
Employment (Thousands)							
Employment	160.7	165.9	155.9	172.7	179.6	4.0%	0.7%
Tax Revenue ($Millions)							
Total (Current $)	1,937	2,332	2,516	2,813	2,993	6.4%	2.9%
Local	549	652	698	787	851	8.2%	3.0%
State	534	694	738	796	837	5.2%	3.0%
Federal	854	987	1,079	1,230	1,305	6.0%	2.9%

Other spending includes resident air travel, travel arrangement and reservation services, and convention and trade show organizers. **Non-transportation visitor spending** includes accommodations, food services, retail, food stores, and arts, entertainment & recreation. **Visitor transportation spending** includes private auto, auto rental, other local ground transportation and one-way airfares.

Earnings include wages & salaries, earned benefits and proprietor income.

Employment includes all full- and part-time employment of payroll employees and proprietors.

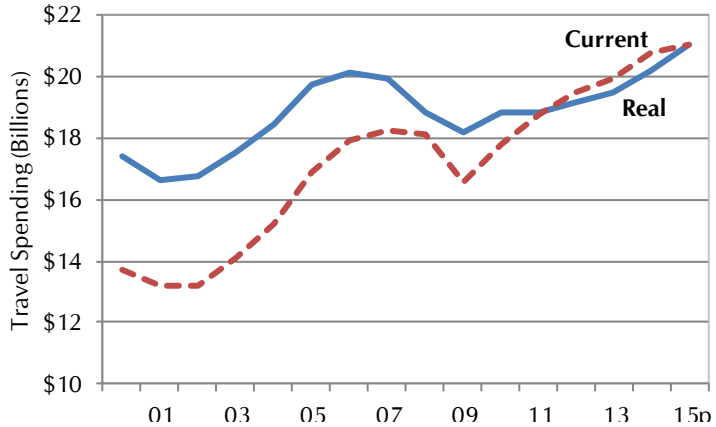
Local tax revenue includes lodging taxes, sales taxes, auto rental taxes and airport passenger facility charges paid by visitors, and the property tax payments and sales tax payments attributable to the travel industry income of employees and businesses.

State tax revenue includes lodging, sales and motor fuel tax payments of visitors, and the income tax and sales tax payments attributable to the travel industry income of businesses and employees.

Federal tax revenue includes motor fuel excise taxes and airline ticket taxes paid by visitors, and the payroll and income taxes attributable to the travel industry income of employees and businesses.

[1] Statewide travel trends for 1998 through 2015p are shown on pages 32 through 44 of the county section.

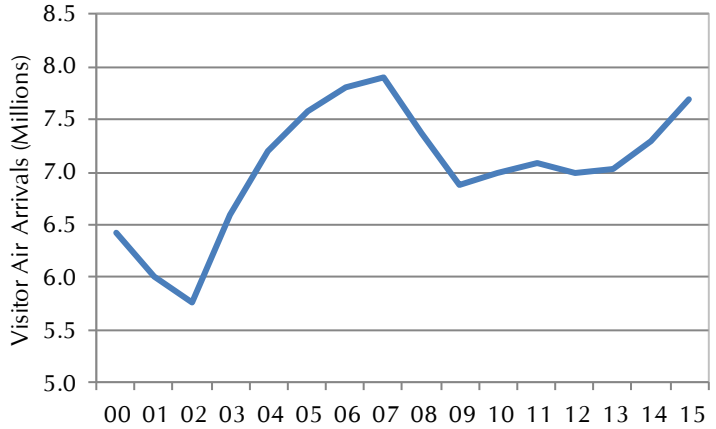
Arizona Direct Travel Spending
Real and Current Dollars
2000-2015p



In real dollars (adjusted for inflation) Arizona travel spending increased by 4.1 percent over 2014. In current dollars, the increase was 1.3 percent. Gasoline prices declined by 23.6 percent for the year. Room rates (+7.1 percent) were the only source of significant price increase (STR, Inc.).

Sources: STR, Inc., Energy Information Administration, U.S. Department of Transportation Origin and Destination Survey, and Bureau of Labor Statistics CPI-West Urban.

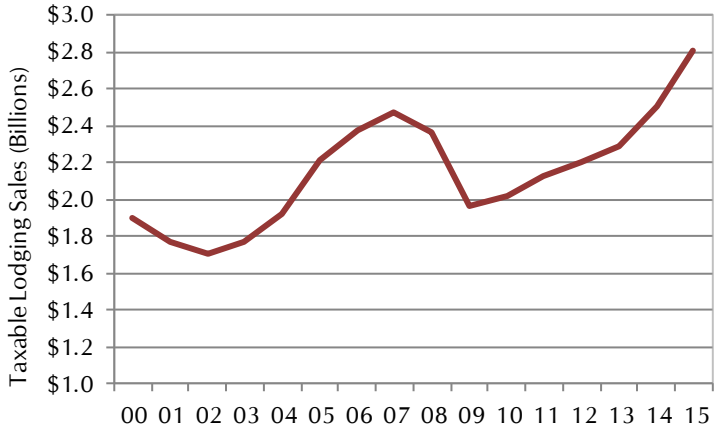
Air Passenger Visitor Arrivals to Arizona
U.S. Air Carriers, 2000-2015



Visitor air arrivals to Arizona increased by 5.4 percent from 2014 to 2015, following a 3.9 percent increase the preceding year. From 2009 through 2013, visitor air arrivals were essentially flat.

Sources: U.S. Department of Transportation Origin and Destination Survey and Dean Runyan Associates.

Arizona Taxable Lodging Sales
2000-2015



Lodging sales is another indicator of the strength of the travel industry as it reflects the profitability of one of its key sectors. Taxable lodging sales increased by 12.4 percent annually from 2014 to 2015 – following a 9.1 percent increase the preceding year. More than one-half of the recent increase was due to increased room rates, as noted above.

Sources: Arizona Department of Revenue and STR, Inc.

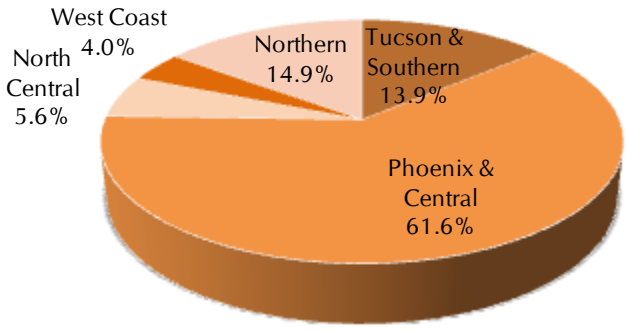
SEASONAL AND REGIONAL TRAVEL IMPACTS

Lodging sales are used in this section to document seasonal patterns in the Arizona tourism industry. (Lodging sales are used because travel spending and related impacts are estimated only on a calendar year basis.)

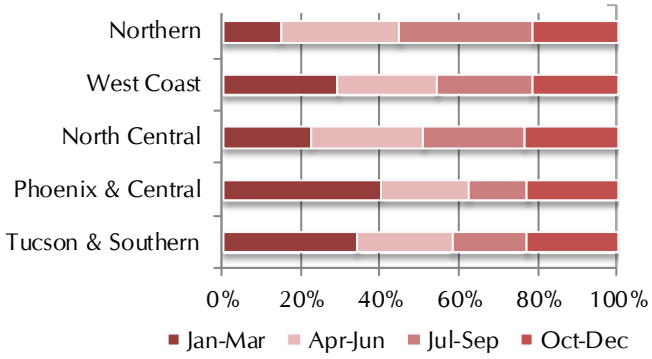
The pie chart shows the annual distribution of lodging sales by region. The lodging sales of the Phoenix and Central Arizona region are greater than the four other regions combined.

(The Northern Arizona region includes Apache, Coconino and Navajo counties. The West Coast region includes La Paz, Mohave and Yuma counties. The North Central region includes Gila and Yavapai counties. The Phoenix and Central Arizona region includes Maricopa and Pinal counties. The Tucson and Southern Arizona region includes Cochise, Graham, Greenlee, Pima and Santa Cruz counties.)

Regional Shares of Arizona Taxable Lodging Sales, 2015



Taxable Lodging Sales by Region and Quarter, 2015

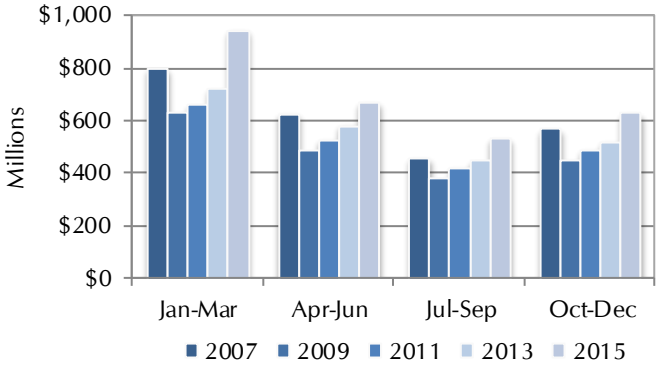


The next two graphs provide quarterly breakouts for the regions and the state.

Lodging sales are greatest in the first quarter for three of Arizona's tourism regions – the West Coast, Phoenix and Tucson. By contrast, spring and summer quarters are most important for the Northern and North Central regions.

The bottom column chart provides a statewide quarterly breakout of lodging sales in two year increments beginning in 2007. Lodging sales have increased in all four quarters since the prior 2007 peak.

Arizona Taxable Lodging Sales by Quarter, 2007-2015 (Millions)



Source: Arizona Department of Revenue taxable hotel/motel sales.

VISITOR ORIGIN

Out-of-state travelers generate more than three-fourths of the visitor impacts in Arizona. Visitors from other states are the largest segment (more than 60 percent of spending), while international travel, including day travel from Mexico, comprises approximately 16 percent of visitor impacts. The share has declined slightly in the past two years due the decreased value of foreign currencies relative to the U.S. dollar. (See bottom graph and pages 2 and 3 of the U.S. travel section.)

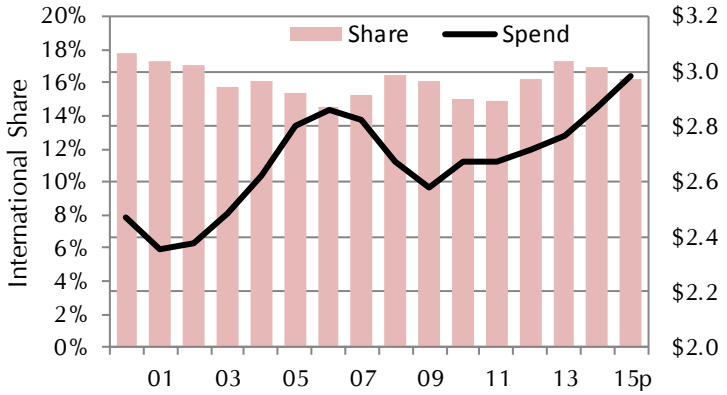
Arizona Travel Impacts by Origin of Visitor, 2015p

Origin	Spending ($ Billion)	Earnings ($ Billion)	Employment (Thousand)	Tax Receipts ($ Million) Local/State	Federal
Arizona	4.0	0.9	32.5	345	201
Other U.S.	11.5	3.5	105.9	1,050	797
International	3.0	0.8	25.5	275	133
All Visitors	18.5	5.2	163.8	1,670	1,131
Other Travel	2.6	1.0	15.7	24	171
Total Travel	21.0	6.2	179.6	1,694	1,302

Sources: Dean Runyan Associates, International Trade Administration and Bureau of Economic Analysis (U.S. Dept. of Commerce), TNS TravelsAmerica visitor survey, Statistics Canada, Vera Pavlakovich-Kochi and Alberta H. Charney, "Mexican Visitors to Arizona: Visitor Characteristics and Economic Impacts, 2007-08" (Karl Eller College of Business and Public Administration, University of Arizona) and Bureau of Transportation Statistics Border Crossing/Entry Data.

International Visitor Spending in Arizona, 2000-2015p

Spending in Real (2015) Dollars



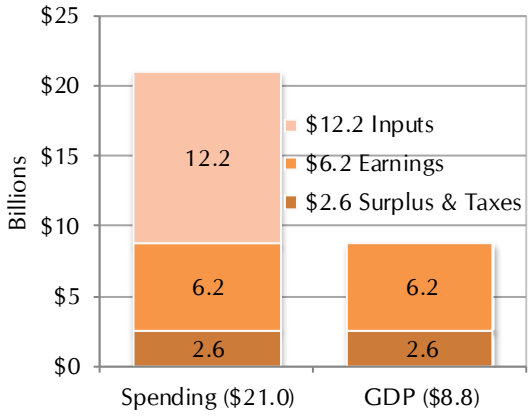
Sources: See above chart for source of international estimates. See first graph on preceding page for constant dollar estimates. Constant dollar visitor spending does not include "Other Travel."

ARIZONA TRAVEL INDUSTRY GROSS DOMESTIC PRODUCT

In concept, the Gross Domestic Product (GDP) of a particular industry is equal to gross output (sales or receipts) minus intermediate inputs (the goods and services purchased from other industries). GDP is always smaller than output or sales because GDP measures only the "value added" of an industry and does not include the cost of the inputs that are also necessary to produce a good or service. Alternatively, GDP can be thought of as the sum of earnings, indirect business taxes (primarily excise and property taxes) and other operating surplus (including profits). Estimates of travel spending and travel industry GDP are shown in the chart below. Arizona travel industry GDP amounted to $8.8 billion in 2015. Arizona travel industry GDP has represented slightly less than 3.0 percent of total state GDP in recent years.

About 60 percent of all travel spending in Arizona is attributed to intermediate inputs and goods resold at retail. Intermediate inputs cover a range of goods and services that are purchased by travel industry businesses for the purpose of creating a product or service for the traveler. For example, lodging establishments purchase cable television services. Restaurants purchase food and beverages from vendors. In both cases, these inputs are classified as the GDP of other industries. In addition, travel spending occurs at many retail establishments where the goods purchased from the retailer are purchased as finished goods from suppliers. These resold goods are also counted as products of other industries. This would include motor fuel, groceries and most of the commodities sold at retail establishments.[2]

Arizona Travel Industry Gross Domestic Product, 2015p



Sources: Dean Runyan Associates, Bureau of Economic Analysis, and Implan Group, LLC. Details may not add to totals due to rounding.

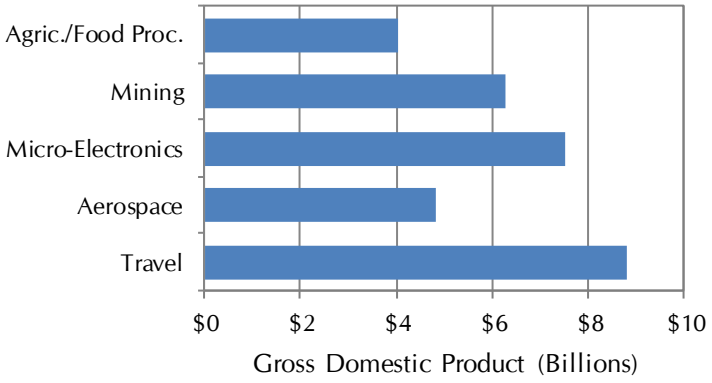
[2] About 38 percent of the $12.2 billion of inputs and goods resold are purchased from other Arizona businesses.

GROSS DOMESTIC PRODUCT OF ARIZONA EXPORT-ORIENTED INDUSTRIES

Export-oriented industries are those industries that primarily market their products and services to other regions, states or nations.[3] Agriculture, mining, and manufacturing are the best examples of export-oriented industries. Clearly, there are cases in each of these three sectors where the products are sold within the local or regional market. Nonetheless, in general most businesses within these industries depend on export markets. The travel industry is also an export-oriented industry because goods and services are sold to *visitors*, rather than residents. The travel industry injects money into the local economy, as do the exports of other industries.

Exports are not necessarily more important than locally traded goods and services. However, diverse export-oriented industries in any economy are a source of strength – in part because they generate income that contributes to the development of other local services and amenities. Such industries characterize the "comparative advantage" of the local economy within larger regional, national and global markets. A comparison of the GDP's of the leading export-oriented industries in Arizona is shown below.

2015 GDP of Major Arizona Export Industries



Sources: Bureau of Economic Analysis, Bureau of Labor Statistics and Dean Runyan Associates. 2015 estimates for non-travel industries based on 2014 GDP and 2015 earnings and payroll.

[3] See also pages 55 of Appendix A and page 67 of Appendix D.

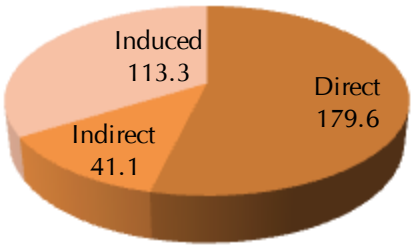
DIRECT, SECONDARY AND TOTAL IMPACTS

Travel spending within Arizona brings money into many Arizona communities in the form of business receipts. Portions of these receipts are spent within the state for labor and supplies. Employees, in turn, spend a portion of their earnings on goods and services in the state. This re-spending of travel-related revenues creates *indirect and induced impacts*. To summarize:

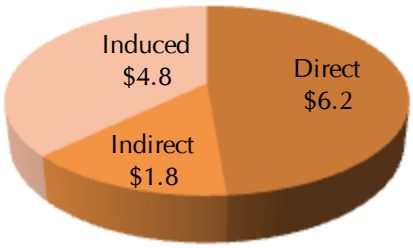
- **Direct** impacts represent the employment and earnings attributable to travel expenditures made directly by travelers at businesses throughout the state.
- **Indirect** impacts represent the employment and earnings associated with industries that supply goods and services to the direct businesses (i.e., those that receive money directly from travelers throughout the state).
- **Induced** impacts represent the employment and earnings that result from purchases for food, housing, transportation, recreation, and other goods and services made by travel industry employees, and the employees of the indirectly affected industries.

Total Employment and Earnings Generated by Travel Spending in Arizona, 2015p

Employment (Thousands)



Earnings (Billions)



Note: Indirect and induced impacts estimated by Dean Runyan Associates with IMPLAN Group, LLC. Total employment was 333,900. The employment multiplier for 2015 is 1.86 (333.9/179.6). Total earnings were $12.8 billion. The earnings multiplier is 2.05 ($12.8/$6.2).

The impacts in this section are presented in terms of the employment and earnings of eleven major industry groups. These industry groups are similar, but not identical to the business service (or commodity) categories presented elsewhere in this report. (The specific industries that comprise these major groups are listed in Appendix D.) Direct travel impacts, such as those discussed in the first part of this section and the regional and county impacts presented elsewhere in this report are found in the following industry groups:

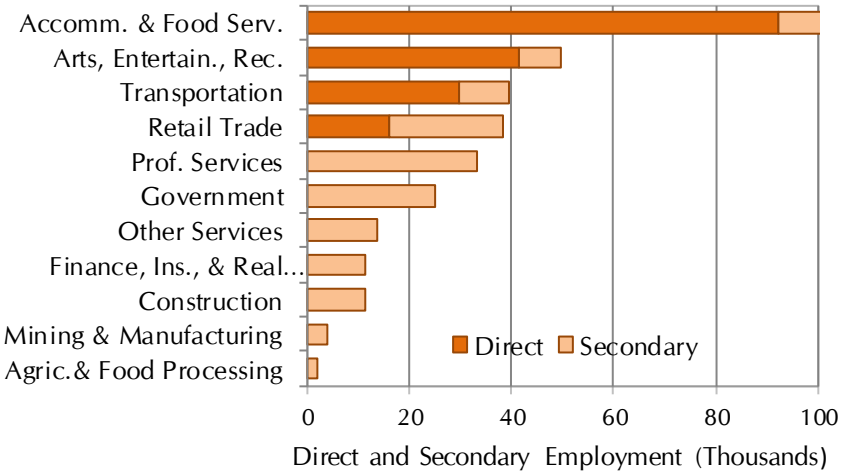
- **Accommodations & Food Services**
- **Arts, Entertainment and Recreation**
- **Retail Trade**
- **Transportation**

As is indicated in the following tables and graphs, the total direct employment and earnings of these four industry groups is identical to the total direct employment and earnings shown in the first part of this section. The only difference is that these industry groups represent industry groupings (firms) rather than commodity or business service groupings.

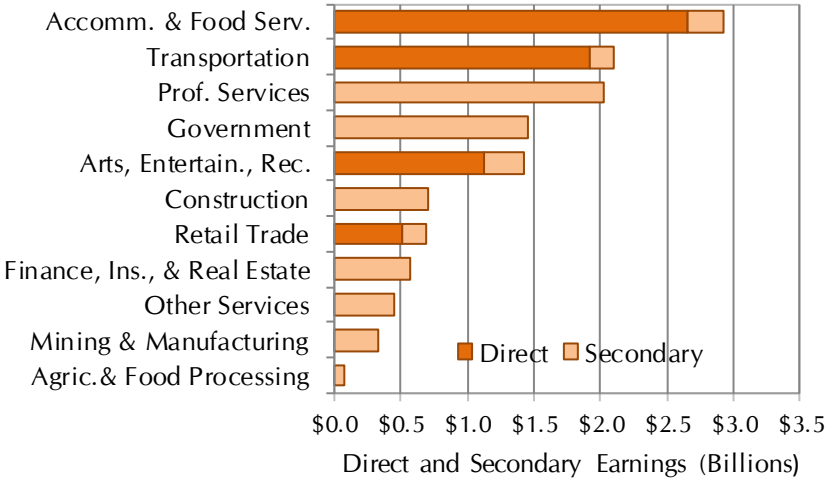
The indirect and induced impacts of travel spending are found in all eleven industry groupings shown in the following tables and graphs. To summarize the primary secondary impacts:

- **Professional Services** (33,200 jobs and $2.0 billion earnings). Legal, medical, educational and other professional services are utilized by travel businesses (indirect effect) and by employees of these firms (induced effect).
- **Other Services** (13,700 jobs and $446 million earnings). Employees of travel-related businesses purchase services from various providers, such as dry cleaners and repair shops. Similarly, travel businesses utilize a number of service providers, such as laundry, maintenance and business services.
- **Government** (24,900 jobs and $1.5 billion earnings). Employees of travel-related businesses pay fees to attend public educational institutions and to operate motor vehicles.
- **Finance, Insurance and Real Estate** (11,500 jobs and $578 million earnings). Employees and businesses use the services of financial institutions, insurers and real estate businesses.

Direct and Secondary Employment
Generated by Travel Spending in Arizona, 2015p



Direct and Secondary Earnings
Generated by Travel Spending in Arizona, 2015p



See notes at end of table on page 20.

Detailed estimates are reported in the following table. It should be emphasized that the estimates of indirect and induced impacts reported here apply to the entire state of Arizona and do not necessarily reflect economic patterns for individual counties, regions or sub-regions within the state. While total economic impacts can be calculated on a county or regional level, such a detailed analysis is not included in this study. In general, geographic areas with lower levels of aggregate economic activity will have smaller secondary impacts within those same geographic boundaries.

Direct & Secondary Visitor-Generated Employment in Arizona, 2015p

(thousand jobs)

Industry Group	Direct	Secondary Indirect	Secondary Induced	Secondary Total	Grand Total
Accomm. & Food Serv.	92.2	4.1	9.3	13.4	105.6
Arts, Entertain., Rec.	41.4	5.9	2.4	8.3	49.6
Transportation	29.9	5.3	4.3	9.7	39.6
Retail Trade	16.1	3.2	19.1	22.3	38.4
Prof. Services		8.4	24.9	33.2	33.2
Government		1.2	23.7	24.9	24.9
Other Services		5.5	8.3	13.7	13.7
Finance, Ins., & Real Estate		4.2	7.3	11.5	11.5
Construction		0.9	10.5	11.4	11.4
Mining & Manufacturing		1.5	2.5	4.0	4.0
Agric.& Food Processing		1.0	1.0	2.0	2.0
All Industries	179.6	41.1	113.3	154.3	333.9

Direct & Secondary Visitor-Generated Earnings in Arizona, 2015p

($ Million)

Industry Group	Direct	Secondary Indirect	Secondary Induced	Secondary Total	Grand Total
Accomm. & Food Serv.	2,656	84	190	274	2,930
Transportation	1,916	142	42	184	2,100
Prof. Services	0	599	1,434	2,034	2,034
Government	0	97	1,360	1,458	1,458
Arts, Entertain., Rec.	1,130	226	64	290	1,420
Construction	0	56	648	704	704
Retail Trade	515	14	162	176	691
Finance, Ins., & Real Estate	0	202	376	578	578
Other Services	0	215	231	446	446
Mining & Manufacturing	0	125	206	331	331
Agric.& Food Processing	0	37	41	78	78
All Industries	6,217	1,798	4,754	6,552	12,769

Source: Dean Runyan Associates and Minnesota Implan Group.
Note: These industry groups are not equivalent to the categories used in the direct impact tables used in this report. See Appendix D. Details may not add to totals due to rounding.

Detailed direct travel impacts for 2008 through 2015p are shown on the following page.

Arizona Direct Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Billion)							
Destination Spending	16.0	15.7	16.7	17.1	17.5	18.2	18.5
Other Travel*	2.2	2.0	2.1	2.4	2.5	2.6	2.6
Total Direct Spending	18.1	17.8	18.8	19.5	19.9	20.8	21.0
Visitor Spending by Type of Traveler Accommodation ($Billion)							
Hotel, Motel	7.3	7.0	7.4	7.7	7.9	8.4	8.9
Private Home	3.8	3.9	4.2	4.2	4.3	4.4	4.4
Campground	0.7	0.6	0.7	0.7	0.7	0.7	0.7
Vacation Home	0.6	0.7	0.7	0.7	0.7	0.7	0.7
Day Travel	3.5	3.5	3.6	3.8	3.8	3.9	3.7
Destination Spending	16.0	15.7	16.7	17.1	17.5	18.2	18.5
Visitor Spending by Commodity Purchased ($Billion)							
Accommodations	2.7	2.4	2.5	2.6	2.7	3.0	3.3
Food Service	3.2	3.4	3.5	3.6	3.7	3.9	4.2
Food Stores	0.9	0.9	0.9	0.9	0.9	1.0	1.0
Local Tran. & Gas	3.2	3.1	3.6	3.8	3.7	3.8	3.2
Arts, Ent. & Rec.	2.0	2.1	2.1	2.1	2.2	2.2	2.3
Retail Sales	2.4	2.4	2.4	2.5	2.5	2.6	2.6
Visitor Air Tran.	1.5	1.5	1.6	1.6	1.6	1.8	1.9
Destination Spending	16.0	15.7	16.7	17.1	17.5	18.2	18.5
Industry Earnings Generated by Travel Spending ($Billion)							
Accom. & Food Serv.	2.1	2.1	2.1	2.2	2.3	2.5	2.7
Arts, Ent. & Rec.	0.9	0.9	0.9	1.0	1.0	1.1	1.1
Retail**	0.6	0.5	0.5	0.5	0.5	0.5	0.6
Ground Tran.	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Visitor Air Tran.	0.6	0.6	0.6	0.6	0.6	0.6	0.7
Other Travel*	0.8	0.8	0.8	0.9	1.0	1.0	1.0
Total Direct Earnings	5.1	5.0	5.2	5.4	5.5	5.8	6.2
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	83.4	80.1	82.1	83.2	86.1	88.7	92.2
Arts, Ent. & Rec.	37.4	35.6	35.6	36.6	37.3	39.7	41.4
Retail**	20.0	16.8	16.8	16.6	16.9	17.6	18.1
Ground Tran.	3.5	3.5	3.6	3.7	3.8	3.9	4.1
Visitor Air Tran.	7.9	7.1	7.4	7.5	7.2	7.6	8.1
Other Travel*	14.4	12.8	13.2	14.9	14.3	15.3	15.7
Total Direct Employment	166.6	155.9	158.7	162.5	165.6	172.7	179.6
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	706	698	727	735	756	787	851
State Tax Receipts	708	738	801	825	805	796	837
Federal Tax Receipts	1,083	1,079	1,028	1,057	1,172	1,230	1,305
Total Direct Gov't Revenue	2,497	2,516	2,556	2,617	2,733	2,813	2,993

Details may not add to totals due to rounding.
*Other Travel includes resident air travel, travel arrangement & reservation services, and convention & trade organizers. **Retail includes gasoline.

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III. STATE AND LOCAL GOVERNMENT REVENUE

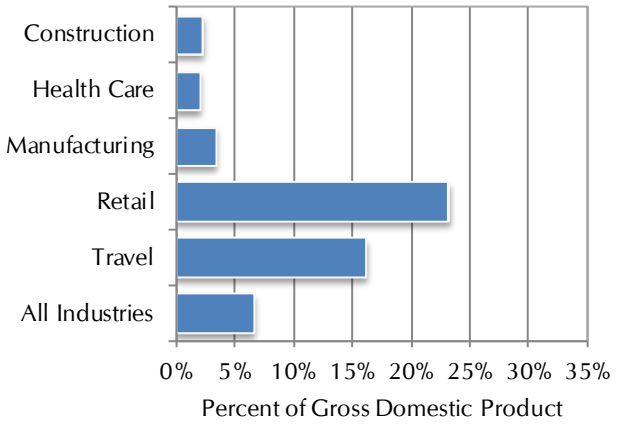
This section is concerned with the contribution of the Arizona travel industry to state and local government finance. The first part of the report compares the travel industry to various other sectors of the state economy. The remainder provides an overview of state and local finance and the revenue contribution of the travel industry.

INDUSTRY GROSS DOMESTIC PRODUCT AND TAXES

One way to consider the tax contributions of various sectors of the economy is to express the tax payments of businesses to government as a percentage of Gross Domestic Product. The bar chart and accompanying table show these tax payments (taxes on production and imports or TOPI) for a sample of goods-producing and service sectors in the state, including travel. TOPI include most of the taxes paid by the business firm to local, state and federal governments except for income taxes. This includes property taxes, licenses and fees and the sales and excise taxes collected from consumers. It is because of these later taxes that retail trade and travel have relatively high proportions of tax payments in relation to their gross domestic products.

Production & Import Taxes as a Percent of Gross Domestic Product

Selected Arizona Industry Sectors, 2014 Calendar Year



Sources: Bureau of Economic Analysis and Dean Runyan Associates.

*TOPI denotes taxes on production and imports, less subsidies.

GDP & TOPI expressed in $Million.

	GDP	*TOPI	Percent
Construction	11,079	299	2.7%
Health Care	22,965	490	2.1%
Manufacturing	22,810	849	3.7%
Retail	21,760	5,058	23.2%
Travel	8,274	1,302	15.7%
All Industries	281,559	19,252	6.8%

The remainder of this report will focus on the travel industry and the specific tax contributions made to state and local government in Arizona. In addition to the taxes on production discussed in the previous section, the tax payments of travel industry employees derived from the income earned from travel industry businesses will be included.[1] The three primary sources of tax revenue generated by the travel industry are:

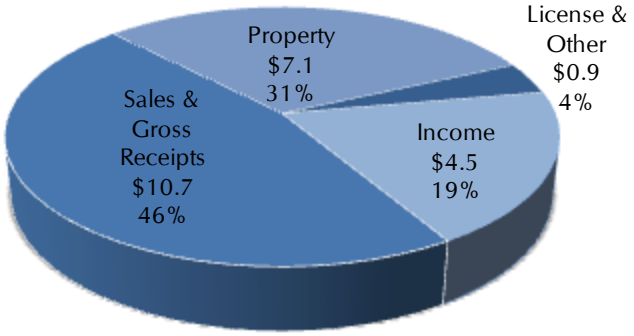
- Sales tax receipts generated by ***visitor spending.*** This includes local and state sales taxes, lodging taxes, alcoholic beverage taxes, motor vehicle rental taxes and motor fuel taxes.
- Taxes paid by ***travel industry businesses*** attributable to travel generated business receipts (property and income taxes).
- Taxes paid by ***travel industry employees*** attributable to travel generated earnings (sales and property taxes).

ARIZONA TAX STRUCTURE

The pie chart below, adapted from the Bureau of the Census' State and Local Government Finance and other data sources, shows the main categories of tax revenue in Arizona. Approximately one-half of all tax revenue is derived from sales and gross receipts taxes. Property taxes, paid primarily by homeowners and businesses to local governments, constitute more than one-fourth of all tax revenue.[2] Income taxes constitute about one-fifth of all tax revenue.

Arizona State and Local Government Tax Revenues

2014-15 Fiscal Year (Billions)



Sources: The 2014-15 fiscal year estimates of state and local tax revenues in Arizona were prepared by Dean Runyan Associates from various sources, including the Bureau of the Census (State and Local Government Finance), the Arizona Department of Revenue, the Bureau of Economic Analysis and a selection of annual financial reports for cities and counties. Sales and gross receipts taxes include the state privilege tax, local sales taxes and a variety of selective taxes, such as those on motor fuel and lodging.

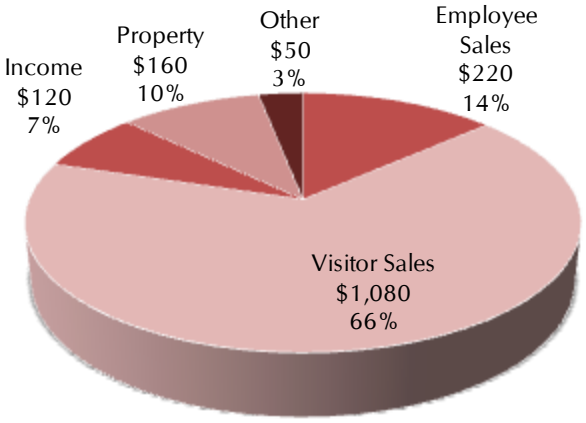
[1] In effect, this means re-allocating some of the sales and excise payments made by other industries to the travel industry because the payments are ultimately made by consumers that earned their income in the travel industry.

[2] Businesses pay 68 percent of all property taxes in Arizona according the Tax Foundation (Fiscal Fact No. 342, November 21, 2012).

TRAVEL INDUSTRY TAX REVENUE

The distribution of taxes generated by the travel industry for the 2014-15 fiscal year is shown in the following pie chart. The categories are the same as the preceding figure, with the exception that sales tax receipts are also distinguished between those that are generated by visitor spending and those that are generated by the spending of travel industry employees.

Arizona Travel Industry State and Local Government Tax Revenues
2014-15 Fiscal Year
(Million)



Source: Dean Runyan Associates. "Other" travel-generated tax revenue includes gaming taxes and passenger facility charges for visitors who travel to Arizona airports.

Whereas slightly about one-half of all state and local tax revenue in Arizona was attributable to sales tax collections in the 2014-15 fiscal year, 80 percent of all travel industry tax revenue was attributable to sales tax receipts from visitors (66 percent) and the purchases of employees in the travel industry (14 percent).

Travel industry state and local tax revenues are compared to total Arizona state and local tax revenues in the following table. Because the travel industry generates a relatively high proportion of sales tax revenues, it is associated with proportionately more tax revenues than would be expected given the size of the industry, as measured by earnings or gross domestic product. Whereas the earnings and GDP of the travel industry are in the range of two and one-half percent of the state totals, travel industry tax revenues represent 7.1 percent of all state and local tax revenues in Arizona (see table, following page). This is consistent with the initial analysis that compared different industries within the state.

Arizona State and Local Tax Revenues
2014-15 Fiscal Year
($Million)

	Total	Travel Generated	Percent Travel
Sales & Gross Receipts	$4,460	$1,300	29.2%
Income	$10,740	$120	1.1%
Property	$7,090	$160	2.3%
License & Other	$930	$50	5.5%
Total Tax Receipts	$23,210	$1,640	7.0%

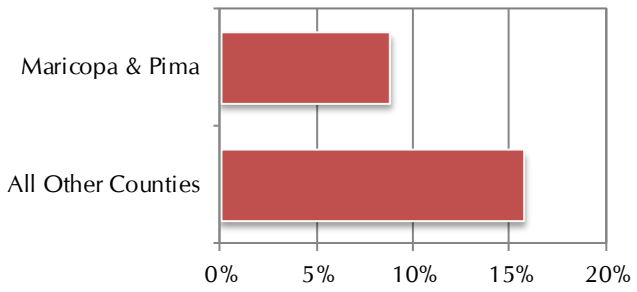
Source: Dean Runyan Associates and Bureau of the Census, State and Local Government Finance.

SUMMARY

This analysis of the tax revenue generated by the Arizona travel industry can be summarized as follows:

- The Arizona travel industry contributes more tax revenue to state and local governments than would be expected based on the size of the industry. Whereas the gross domestic product and employee earnings represent about three percent of the state economy, the travel industry generated 7.1 percent of tax revenue in the 2015 fiscal year.
- Eighty percent of all travel-generated tax revenue is attributable to sales and gross receipts taxes. The travel industry share of the state total is more than 30 percent. Not only are most travel industry goods and services taxed, but a large share of these commodities (lodging and motor fuel) are taxed at rates that are greater than the general sales tax.
- A majority of these tax revenues are borne by visitors who reside in other states and countries.
- The tax impacts of the travel industry are generally greater for the less urbanized counties in the state, as illustrated in the graph below.

State Transaction Privilege Taxes Generated
By Direct Travel Spending, 2014 FY



Source: Arizona Department of Revenue and Dean Runyan Associates. Graph derived from table on following page.

The revenue contributions of Arizona's fifteen counties are detailed in the following two tables.

State Transaction Privilege Taxes Generated by Travel Spending, FY 2015

($Millions)

	Total	Travel	Percent
Apache	15.9	3.2	20.3%
Cochise	74.0	9.5	12.8%
Coconino	138.9	41.6	30.0%
Gila	31.4	5.8	18.4%
Graham/Greenlee	48.2	2.5	11.7%
La Paz	13.0	3.0	23.0%
Maricopa	3,701.7	309.9	8.4%
Mohave	130.0	14.9	11.5%
Navajo	68.9	9.4	13.6%
Pima	724.9	78.1	10.8%
Pinal	147.0	17.7	12.1%
Santa Cruz	26.2	7.5	28.8%
Yavapai	157.3	20.7	13.2%
Yuma	121.4	16.0	13.2%
Arizona	5,398.6	539.8	10.0%

State and Local Travel-Generated Tax Revenue per Household

2015 Calendar Year

	Tax Revenue (Millions)			**Households**	**Tax Revenue**
	Local	**State**	**Total**	(Thousands)	**per Household**
Apache	$3.5	$5.5	$9.0	22.7	$400
Cochise	$12.6	$14.5	$27.0	48.8	$550
Coconino	$61.6	$52.0	$113.6	48.3	$2,350
Gila	$8.2	$12.3	$20.4	21.8	$940
Graham/Greenlee	$2.5	$3.3	$5.8	14.9	$440
La Paz	$4.4	$6.0	$10.4	9.1	$1,150
Maricopa	$561.4	$490.9	$1,052.3	1,537.9	$680
Mohave	$19.2	$24.1	$43.3	84.3	$510
Navajo	$12.0	$14.2	$26.2	35.8	$730
Pima	$81.9	$115.4	$197.3	399.8	$490
Pinal	$21.2	$29.4	$50.7	134.6	$380
Santa Cruz	$8.1	$10.4	$18.5	15.1	$1,220
Yavapai	$33.0	$33.0	$66.1	95.7	$690
Yuma	$21.5	$26.4	$47.9	67.1	$710
Arizona	$851.1	$837.5	$1,688.6	2,536.0	$670

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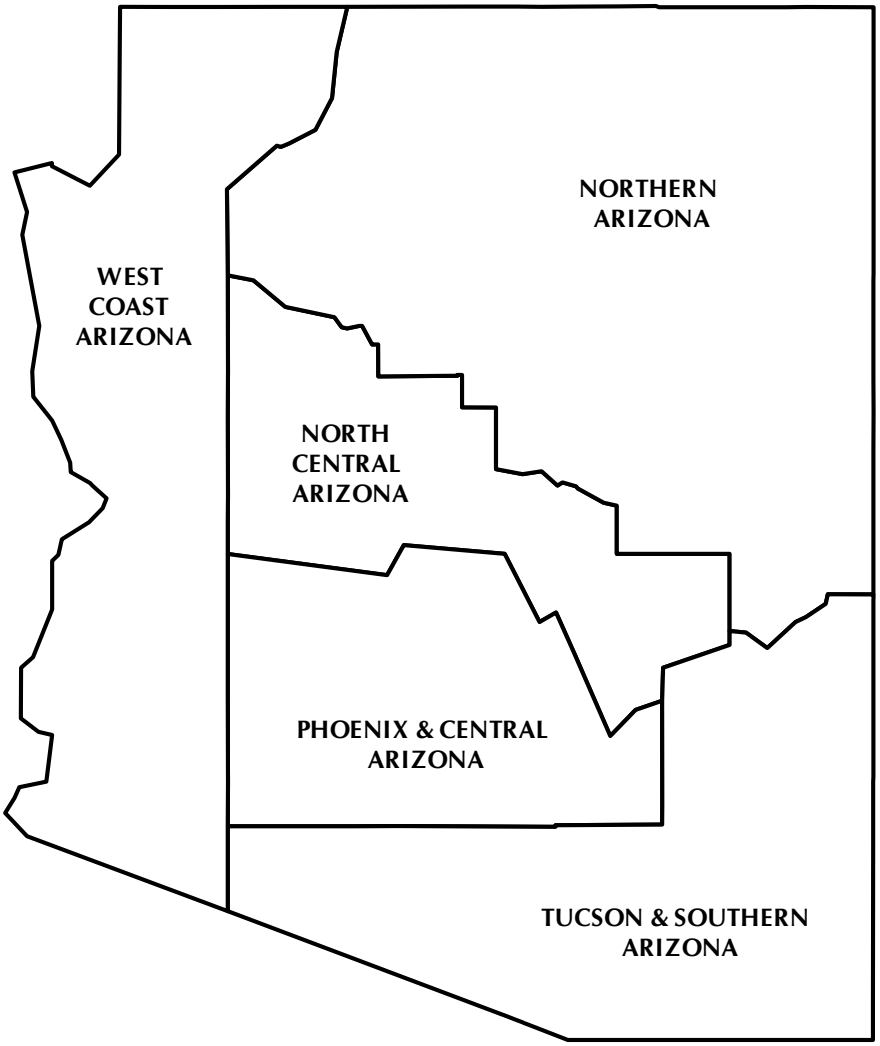
IV: REGIONAL TRAVEL IMPACTS
1998-2015P



The ***Northern Arizona*** *region includes Apache, Coconino and Navajo counties.* ***West Coast Arizona*** *includes La Paz, Mohave and Yuma counties.* ***North Central Arizona*** *includes Gila and Yavapai counties.* ***Phoenix and Central Arizona*** *includes Maricopa and Pinal counties.* ***Tucson and Southern Arizona*** *includes Cochise, Graham, Greenlee, Pima and Santa Cruz counties.*

2015p Arizona Regional Travel Impacts

	Travel Spending		Related Travel-Generated Impacts				
	Total ($Million)	Visitor ($Million)	Earnings ($Million)	Employment (jobs)	Local Taxes ($Million)	State Taxes ($Million)	Total Taxes ($Million)
Northern Arizona	1,653	1,567	470	17,580	77	72	149
West Coast Arizona	1,288	1,195	335	14,050	45	57	102
North Central Arizona	1,027	975	276	11,540	41	45	87
Phoenix & Central Arizona	13,640	10,642	4,310	105,220	583	520	1,103
Tucson & Southern Arizona	3,433	2,862	827	31,160	105	144	249
Arizona	21,041	17,241	6,217	179,560	851	837	1,689

Details may not add to totals due to rounding.
The sum of regional visitor spending is less than statewide visitor spending because a portion of ground transportation is allocated to "other travel" at the regional level.

Arizona Regional Direct Travel Spending, 1998-2015p

($Millions)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	98-15p
Northern Arizona															
Total Spending	919	1,058	998	1,092	1,248	1,386	1,261	1,339	1,411	1,483	1,510	1,598	1,653	3.4	3.5
Visitor Spending	890	1,017	965	1,039	1,182	1,307	1,201	1,266	1,325	1,383	1,408	1,497	1,567	4.6	3.4
Non-transportation	831	934	892	938	1,037	1,132	1,071	1,102	1,131	1,180	1,209	1,294	1,397	7.9	3.1
Transportation	59	83	73	101	145	175	130	164	195	204	200	203	169	-16.4	6.4
West Coast Arizona															
Total Spending	795	908	958	1,065	1,233	1,280	1,229	1,263	1,335	1,353	1,360	1,373	1,288	-6.1	2.9
Visitor Spending	756	852	900	994	1,133	1,150	1,123	1,138	1,191	1,206	1,211	1,221	1,195	-2.1	2.7
Non-transportation	700	775	827	888	985	970	986	970	991	1,003	1,011	1,027	1,039	1.1	2.3
Transportation	55	77	74	106	148	179	137	168	200	203	200	194	157	-19.2	6.3
North Central Arizona															
Total Spending	570	689	694	742	884	915	831	877	923	973	996	1,024	1,027	0.2	3.5
Visitor Spending	543	655	658	694	819	843	776	813	850	898	920	947	975	3.0	3.5
Non-transportation	512	608	615	633	731	737	699	715	732	772	797	826	878	6.2	3.2
Transportation	31	47	43	61	88	107	78	98	118	126	123	121	98	-19.0	7.0
Phoenix & Central Arizona															
Total Spending	7,216	8,362	7,834	9,276	11,136	11,261	10,155	11,089	11,863	12,219	12,638	13,264	13,640	2.8	3.8
Visitor Spending	5,721	6,561	6,286	7,346	8,669	8,620	7,990	8,614	9,130	9,290	9,582	10,140	10,642	5.0	3.7
Non-transportation	4,410	5,044	4,864	5,526	6,376	6,228	5,881	6,189	6,500	6,641	6,858	7,269	7,786	7.1	3.4
Transportation	1,311	1,517	1,422	1,820	2,293	2,392	2,109	2,425	2,630	2,649	2,724	2,870	2,856	-0.5	4.7
Tucson & Southern Arizona															
Total Spending	2,355	2,718	2,733	3,038	3,406	3,299	3,102	3,207	3,267	3,461	3,432	3,503	3,433	-2.0	2.2
Visitor Spending	2,095	2,414	2,360	2,609	2,883	2,719	2,630	2,671	2,668	2,771	2,805	2,874	2,862	-0.4	1.9
Non-transportation	1,779	2,029	2,004	2,154	2,310	2,132	2,137	2,112	2,071	2,161	2,206	2,266	2,300	1.5	1.5
Transportation	316	385	356	456	572	587	494	559	597	609	598	608	562	-7.5	3.4

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Arizona Regional Travel-Generated Earnings, 1998-2015p
($ Millions)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	Annual Percent Chg. 98-15p
Northern Arizona	257	289	277	300	333	391	366	375	384	401	414	443	470	6.2	3.6
West Coast Arizona	195	216	234	254	291	309	308	297	300	301	306	323	335	3.6	3.2
North Central Arizona	155	184	188	195	231	246	227	220	218	231	242	259	276	6.6	3.5
Phoenix & Central Arizona	2,268	2,627	2,510	2,904	3,404	3,461	3,289	3,398	3,588	3,716	3,854	4,020	4,310	7.2	3.8
Tucson & Southern Arizona	506	579	603	649	720	712	685	679	685	744	730	781	827	5.8	2.9
Arizona	3,380	3,895	3,811	4,303	4,979	5,118	4,874	4,969	5,176	5,393	5,546	5,827	6,217	6.7	3.6

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Arizona Regional Travel-Generated Employment, 1998-2015p
(thousands)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	Annual Percent Chg. 98-15p
Northern Arizona	16.2	16.8	15.2	15.4	15.7	16.8	15.7	16.0	16.1	16.2	16.6	17.2	17.6	2.3	0.5
West Coast Arizona	11.8	12.1	12.9	13.0	14.5	13.7	13.6	13.2	13.3	13.2	13.1	13.5	14.1	3.9	1.0
North Central Arizona	9.5	10.2	11.4	11.0	11.4	11.5	10.6	10.1	10.1	10.4	10.5	11.2	11.5	3.1	1.1
Phoenix & Central Arizona	87.6	91.4	82.2	88.2	95.1	94.5	88.5	88.1	90.8	93.0	95.8	100.2	105.2	5.0	1.1
Tucson & Southern Arizona	28.1	30.2	30.2	31.6	32.9	30.1	29.2	28.5	28.4	29.7	29.5	30.6	31.2	1.9	0.6
Arizona	153.4	160.7	151.9	159.2	169.6	166.6	157.7	155.9	158.7	162.5	165.6	172.7	179.6	4.0	0.9

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Travel-Generated Employment and Earnings as Percent of Total, 2015p

	Employment (thousands)			Earnings (Million)		
	Total	Travel	Percent Travel	Total	Travel	Percent Travel
Northern Arizona	160.2	17.6	11.0%	$6,578	$470	7.2%
West Coast Arizona	159.9	14.1	8.8%	$6,928	$335	4.8%
North Central Arizona	111.7	11.5	10.3%	$4,090	$276	6.7%
Phoenix & Central Arizona	2,540.3	105.2	4.1%	$137,308	$4,310	3.1%
Tucson & Southern Arizona	596.2	31.2	5.2%	$27,613	$827	3.0%
Arizona Total	3,568.2	179.6	5.0%	$182,517	$6,217	3.4%

Source: Dean Runyan Associates, U.S. Bureau of Labor Statistics, and U.S. Bureau of Economic Analysis. Total and travel-generated employment estimates by Dean Runyan Associates. Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Northern Arizona
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	1,307	1,266	1,325	1,383	1,408	1,497	1,567
Other Travel*	80	73	86	99	102	101	87
Total Direct Spending	1,386	1,339	1,411	1,483	1,510	1,598	1,653
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	803	764	795	840	863	934	1,007
Private Home	142	145	157	161	159	163	158
Campground	49	48	50	50	50	49	47
Vacation Home	89	89	92	94	95	97	97
Day Travel	223	220	230	238	242	253	258
Destination Spending	1,307	1,266	1,325	1,383	1,408	1,497	1,567
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	363	344	361	381	398	439	494
Food Service	304	309	315	331	340	364	390
Food Stores	78	76	80	83	83	88	93
Local Tran. & Gas	167	150	181	190	186	187	153
Arts, Ent. & Rec.	181	176	177	181	184	193	202
Retail Sales	206	198	198	205	204	211	218
Visitor Air Tran.	8	13	14	14	13	15	17
Destination Spending	1,307	1,266	1,325	1,383	1,408	1,497	1,567
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	243	231	231	244	254	268	284
Arts, Ent. & Rec.	83	91	99	100	102	112	118
Retail**	46	39	40	40	40	43	46
Visitor Air Tran.	6	6	6	6	5	7	8
Other Travel*	13	7	8	11	13	14	14
Total Direct Earnings	391	375	384	401	414	443	470
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	10.3	9.9	9.9	10.0	10.2	10.4	10.6
Arts, Ent. & Rec.	4.1	4.2	4.2	4.1	4.3	4.6	4.6
Retail**	1.9	1.6	1.6	1.6	1.6	1.6	1.7
Visitor Air Tran.	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Other Travel*	0.4	0.2	0.3	0.4	0.4	0.5	0.5
Total Direct Employment	16.8	16.0	16.1	16.2	16.6	17.2	17.6
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	59.5	60.1	62.2	64.1	64.4	70.2	77.0
State Tax Receipts	60.3	61.4	66.8	69.5	66.2	67.4	71.8
Total Direct Gov't Revenue	119.8	121.5	129.0	133.5	130.6	137.6	148.8

Details may not add to totals due to rounding.

*Other Travel includes resident air travel, travel arrangement services, and convention and trade shows.

**Retail includes gasoline.

Northern Arizona includes Apache, Coconino and Navajo counties.

West Coast Arizona
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	1,150	1,138	1,191	1,206	1,211	1,221	1,195
Other Travel*	130	126	144	147	148	152	93
Total Direct Spending	1,280	1,263	1,335	1,353	1,360	1,373	1,288
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	259	253	278	277	267	279	293
Private Home	247	250	265	265	277	272	260
Campground	125	126	133	128	122	120	117
Vacation Home	99	99	104	106	106	108	109
Day Travel	420	410	412	429	440	441	417
Destination Spending	1,150	1,138	1,191	1,206	1,211	1,221	1,195
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	135	124	133	132	128	137	148
Food Service	245	259	266	271	279	284	293
Food Stores	128	124	126	131	135	138	135
Local Tran. & Gas	167	156	188	191	188	180	142
Arts, Ent. & Rec.	251	251	259	255	250	250	254
Retail Sales	212	211	206	214	219	218	209
Visitor Air Tran.	12	12	12	12	12	14	15
Destination Spending	1,150	1,138	1,191	1,206	1,211	1,221	1,195
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	130	136	140	137	144	150	172
Arts, Ent. & Rec.	106	95	94	98	95	103	105
Retail**	56	50	49	49	50	52	52
Visitor Air Tran.	0	1	1	0	0	0	0
Other Travel*	17	15	16	16	17	19	5
Total Direct Earnings	309	297	300	301	306	323	335
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	6.5	6.6	6.8	6.4	6.7	6.8	7.6
Arts, Ent. & Rec.	4.6	4.2	4.2	4.6	4.3	4.4	4.6
Retail**	2.0	1.8	1.7	1.7	1.7	1.7	1.7
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.6	0.5	0.5	0.5	0.5	0.5	0.2
Total Direct Employment	13.7	13.2	13.3	13.2	13.1	13.5	14.1
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	42.1	42.1	43.1	42.7	42.6	43.4	45.1
State Tax Receipts	53.1	55.5	59.3	59.7	57.5	55.8	56.6
Total Direct Gov't Revenue	95.2	97.7	102.4	102.4	100.1	99.2	101.7

Details may not add to totals due to rounding.

*Other Travel includes resident air travel, travel arrangement services, and convention and trade shows.

**Retail includes gasoline.

West Coast Arizona includes La Paz, Mohave and Yuma counties.

North Central Arizona
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	843	813	850	898	920	947	975
Other Travel*	71	64	73	75	77	78	51
Total Direct Spending	915	877	923	973	996	1,024	1,027
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	277	250	261	293	312	332	365
Private Home	115	118	127	130	130	131	129
Campground	26	25	27	27	27	28	27
Vacation Home	38	37	39	39	40	41	41
Day Travel	388	383	397	408	411	415	413
Destination Spending	843	813	850	898	920	947	975
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	139	121	126	141	153	167	192
Food Service	157	161	166	176	183	190	203
Food Stores	62	61	64	66	67	70	72
Local Tran. & Gas	106	97	117	124	122	120	97
Arts, Ent. & Rec.	268	261	263	273	277	280	289
Retail Sales	110	111	113	116	117	118	121
Visitor Air Tran.	0	1	1	2	1	1	1
Destination Spending	843	813	850	898	920	947	975
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	107	96	100	110	120	129	146
Arts, Ent. & Rec.	102	93	87	89	89	95	99
Retail**	28	24	25	25	25	26	28
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	9	7	6	6	7	8	3
Total Direct Earnings	246	220	218	231	242	259	276
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	4.7	4.2	4.3	4.6	4.8	5.1	5.5
Arts, Ent. & Rec.	5.2	4.7	4.6	4.6	4.5	4.8	4.8
Retail**	1.2	1.0	1.0	1.0	1.0	1.0	1.1
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.4	0.3	0.2	0.2	0.2	0.2	0.1
Total Direct Employment	11.5	10.1	10.1	10.4	10.5	11.2	11.5
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	33.2	31.8	32.1	33.8	35.8	37.7	41.2
State Tax Receipts	39.3	39.4	41.8	44.0	43.0	42.9	45.3
Total Direct Gov't Revenue	72.4	71.1	74.0	77.7	78.8	80.6	86.5

Details may not add to totals due to rounding.

*Other Travel includes resident air travel, travel arrangement services, and convention and trade shows.

**Retail includes gasoline.

North Central Arizona includes Gila and Yavapai counties.

Phoenix & Central Arizona
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	8,620	8,614	9,130	9,290	9,582	10,140	10,642
Other Travel*	2,642	2,475	2,733	2,928	3,055	3,125	2,998
Total Direct Spending	11,261	11,089	11,863	12,219	12,638	13,264	13,640
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	4,481	4,304	4,575	4,695	4,872	5,212	5,613
Private Home	2,355	2,492	2,623	2,624	2,696	2,828	2,920
Campground	289	278	293	297	304	321	314
Vacation Home	322	332	345	357	365	378	386
Day Travel	1,173	1,208	1,294	1,318	1,346	1,401	1,409
Destination Spending	8,620	8,614	9,130	9,290	9,582	10,140	10,642
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	1,680	1,412	1,522	1,568	1,642	1,794	2,025
Food Service	1,852	1,995	2,091	2,156	2,243	2,385	2,548
Food Stores	311	318	339	343	352	375	394
Local Tran. & Gas	1,111	1,114	1,268	1,297	1,313	1,350	1,239
Arts, Ent. & Rec.	1,140	1,157	1,192	1,205	1,229	1,280	1,333
Retail Sales	1,245	1,307	1,356	1,368	1,391	1,435	1,486
Visitor Air Tran.	1,281	1,311	1,363	1,353	1,411	1,520	1,618
Destination Spending	8,620	8,614	9,130	9,290	9,582	10,140	10,642
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	1,258	1,226	1,289	1,328	1,396	1,473	1,573
Arts, Ent. & Rec.	539	539	545	587	616	670	702
Retail**	233	217	230	227	228	246	265
Ground Tran.	102	109	116	119	120	129	139
Visitor Air Tran.	543	564	612	602	602	610	684
Other Travel*	786	743	795	854	893	892	947
Total Direct Earnings	3,461	3,398	3,588	3,716	3,854	4,020	4,310
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	45.0	43.1	44.6	45.0	47.2	48.5	50.1
Arts, Ent. & Rec.	18.0	16.8	17.2	17.9	18.8	20.0	21.4
Retail**	7.3	6.7	6.8	6.7	6.8	7.2	7.6
Ground Tran.	2.8	2.8	2.9	3.0	3.0	3.2	3.3
Visitor Air Tran.	7.5	6.8	7.0	7.2	7.0	7.3	7.7
Other Travel*	13.9	12.0	12.3	13.3	13.0	14.1	15.1
Total Direct Employment	94.5	88.1	90.8	93.0	95.8	100.2	105.2
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	472.3	466.6	492.3	495.3	514.2	535.3	582.6
State Tax Receipts	424.3	445.5	490.6	502.5	495.4	490.4	520.4
Total Direct Gov't Revenue	896.6	912.1	982.8	997.8	1,009.5	1,025.6	1,103.0

Details may not add to totals due to rounding.

*Other Travel includes resident air travel, travel arrangement services, and convention and trade shows.

**Retail includes gasoline.

Phoenix & Central Arizona includes Maricopa and Pinal counties.

Tucson & Southern Arizona
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	2,719	2,671	2,668	2,771	2,805	2,874	2,862
Other Travel*	580	536	599	690	627	629	571
Total Direct Spending	3,299	3,207	3,267	3,461	3,432	3,503	3,433
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	1,114	1,097	1,093	1,118	1,131	1,169	1,227
Private Home	569	575	598	600	592	604	600
Campground	49	42	45	46	45	45	43
Vacation Home	56	56	58	60	60	61	61
Day Travel	932	901	874	947	976	995	932
Destination Spending	2,719	2,671	2,668	2,771	2,805	2,874	2,862
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	428	391	388	394	398	414	443
Food Service	616	652	651	682	699	724	760
Food Stores	290	274	265	289	302	313	299
Local Tran. & Gas	364	355	394	411	408	406	358
Arts, Ent. & Rec.	209	211	210	212	211	214	220
Retail Sales	590	584	557	585	597	600	578
Visitor Air Tran.	223	204	203	198	190	202	204
Destination Spending	2,719	2,671	2,668	2,771	2,805	2,874	2,862
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	383	375	385	411	416	444	481
Arts, Ent. & Rec.	96	94	92	93	93	104	107
Retail**	131	117	113	116	117	123	123
Ground Tran.	25	27	28	29	29	31	33
Visitor Air Tran.	12	11	10	9	8	10	11
Other Travel*	65	55	57	86	67	70	71
Total Direct Earnings	712	679	685	744	730	781	827
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	16.9	16.4	16.5	17.2	17.3	17.9	18.4
Arts, Ent. & Rec.	5.4	5.5	5.5	5.4	5.4	5.8	5.9
Retail**	4.8	4.1	4.0	4.0	4.0	4.1	4.0
Ground Tran.	0.7	0.7	0.7	0.7	0.7	0.8	0.8
Visitor Air Tran.	0.2	0.2	0.2	0.2	0.1	0.2	0.2
Other Travel*	2.1	1.6	1.5	2.2	1.9	1.9	1.8
Total Direct Employment	30.1	28.5	28.4	29.7	29.5	30.6	31.2
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	98.5	97.7	97.1	99.4	98.6	100.2	105.1
State Tax Receipts	131.0	136.2	142.6	149.2	142.9	139.7	143.5
Total Direct Gov't Revenue	229.5	233.9	239.7	248.6	241.5	240.0	248.6

Details may not add to totals due to rounding.

*Other Travel includes resident air travel, travel arrangement services, and convention and trade shows.

**Retail includes gasoline.

Tucson & Southern Arizona includes Cochise, Graham, Greenlee, Pima and Santa Cruz counties.

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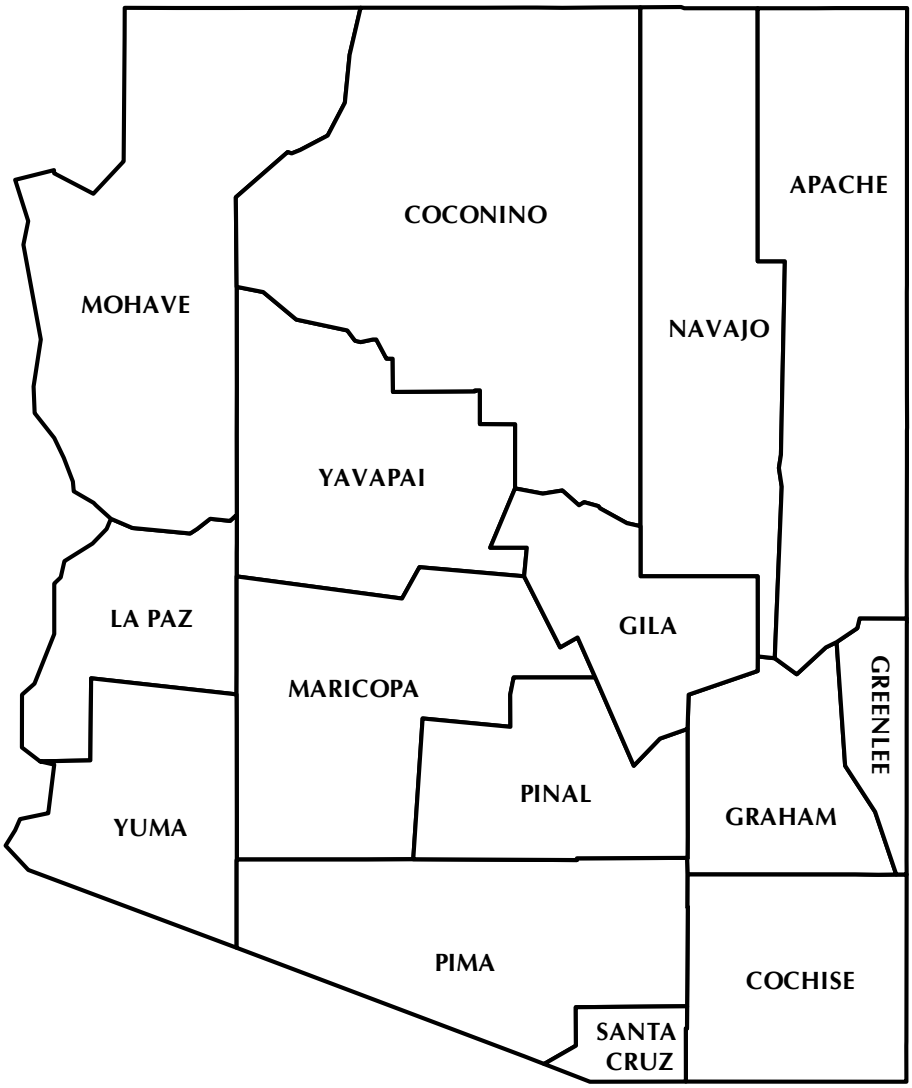
V: County Travel Impacts
1998-2015P



The analysis of travel impacts at the county level provides a valuable overview of how the economic benefits of travel and tourism are distributed throughout the state.

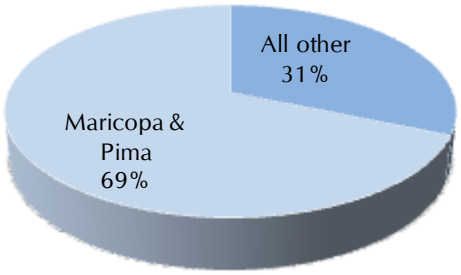
Urban areas, such as Maricopa County, tend to have highly developed travel industry infrastructure consisting of large inventories of amusement and recreation opportunities, commercial accommodations, and well-developed transportation links. Hotel/motel guests are important to these areas and, hence, a large proportion of travel expenditures are spent on overnight lodging.

In many of the less urbanized areas of Arizona, however, the economic significance of travel and tourism is actually relatively more important. The infrastructure that serves visitors to Maricopa County also serves local residents. Most of the spending on recreation and food services in Maricopa county is by local residents. This is not the case in most other less urbanized areas of the state – leisure and hospitality businesses are generally much more dependent on visitor spending rather than local residents.

In the graph below, the two most populous counties in Arizona, Maricopa and Pima, are compared with the thirteen other counties in the state with respect to their share of total employment – two-thirds of all travel-generated jobs in the state are in the two most populous counties.

Distribution of Travel-Generated Employment, 2015p

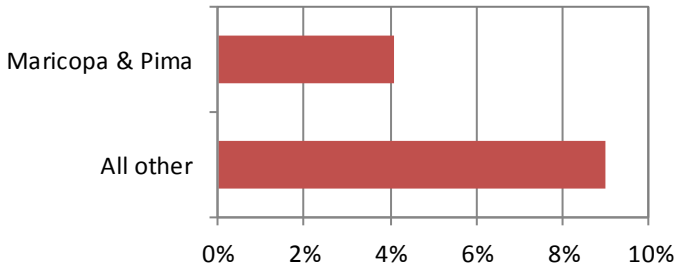
Percent of State Direct Travel-Generated Employment



Source: Dean Runyan Associates, U.S. Bureau of Labor Statistics, and U.S. Bureau of Economic Analysis. Total and travel-generated employments estimates by Dean Runyan Associates.

However, as a group the less urbanized counties in the state actually have a higher proportion of travel-generated employment in relation to the total employment of the county. This is shown graphically below. Four percent of all employment in Maricopa and Pima counties is travel-generated. By contrast, the proportion is more than double for the other Arizona counties.

Percent of Total Area Employment That is Travel-Generated, 2015p



Source: Dean Runyan Associates, U.S. Bureau of Labor Statistics, and U.S. Bureau of Economic Analysis. Total and travel-generated employment estimates by Dean Runyan Associates. Travel-generated employment in Maricopa and Pima counties constitutes 4.1 percent of all employment in those counties. The comparable figure for other Arizona counties is 9.0 percent.

In general, the employment and earnings estimates provided in the preceding figures are probably the best measure at the county level of the relative importance of travel and tourism for local economies. The following table provides estimates for individual counties. Total employment includes all full-time and part-time wage and salary employment and self-employment. Because total employment includes all *jobs*, regardless of the hours worked, the average annual earnings of the job or the number of individuals employed, this indicator is in some respects less useful than earnings estimates. Nonetheless, the distribution of counties is similar for earnings and employment.

Travel-Generated Employment and Earnings as Percent of Total, 2015p

	Employment			Earnings (Million)		
	Total	Travel	Percent Travel	Total	Travel	Percent Travel
Apache	30,730	1,610	5.2%	$1,080	$33	3.0%
Cochise	53,700	3,760	7.0%	$2,639	$81	3.1%
Coconino	88,670	12,030	13.6%	$3,839	$343	8.9%
Gila	22,240	2,740	12.3%	$854	$69	8.1%
Graham/Greenlee	16,790	980	5.8%	$879	$15	1.7%
La Paz	8,100	1,330	16.4%	$309	$34	11.0%
Maricopa	2,452,730	99,210	4.0%	$133,624	$4,163	3.1%
Mohave	66,050	6,460	9.8%	$2,595	$151	5.8%
Navajo	40,770	3,940	9.7%	$1,659	$94	5.7%
Pima	505,300	24,060	4.8%	$23,167	$674	2.9%
Pinal	87,540	6,010	6.9%	$3,684	$147	4.0%
Santa Cruz	20,400	2,360	11.6%	$928	$58	6.2%
Yavapai	89,440	8,790	9.8%	$3,236	$207	6.4%
Yuma	85,760	6,260	7.3%	$4,024	$150	3.7%
Arizona Total	3,568,230	179,560	5.0%	$182,517	$6,217	3.4%

Source: Dean Runyan Associates, U.S. Bureau of Labor Statistics, and U.S. Bureau of Economic Analysis. Total and travel-generated employment estimates by Dean Runyan Associates.
Note: Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Direct travel impact estimates for 1998 through 2015p can be found on the following pages. As noted in the appendix to this report, county level estimates are necessarily less reliable than the statewide estimates. Furthermore, estimates for the smallest counties are less reliable than those for larger counties due to survey sample sizes and other data limitations. For this reason, small changes in year-to-year estimates are less important than longer-term trends.

2015p Arizona County Travel Impacts

	Travel Spending		Related Travel-Generated Impacts				
	Total ($Million)	Visitor ($Million)	Earnings ($Million)	Employment (jobs)	Local Taxes ($Million)	State Taxes ($Million)	Total Taxes ($Million)
Apache	115	102	33	1,610	3.5	5.5	9.0
Cochise	325	302	81	3,760	12.6	14.5	27.0
Coconino	1,236	1,182	343	12,030	61.6	52.0	113.6
Gila	278	268	69	2,740	8.2	12.3	20.4
Graham/Greenlee	69	61	15	980	2.5	3.3	5.8
La Paz	140	136	34	1,330	4.4	6.0	10.4
Maricopa	12,999	10,074	4,163	99,210	561.4	490.9	1,052.3
Mohave	525	484	151	6,460	19.2	24.1	43.3
Navajo	302	283	94	3,940	12.0	14.2	26.2
Pima	2,773	2,241	674	24,060	81.9	115.4	197.3
Pinal	641	568	147	6,010	21.2	29.4	50.7
Santa Cruz	266	258	58	2,360	8.1	10.4	18.5
Yavapai	749	707	207	8,790	33.0	33.0	66.1
Yuma	624	575	150	6,260	21.5	26.4	47.9
Arizona	21,041	18,461	6,217	179,560	851.1	837.5	1,688.6

Details may not add to totals due to rounding.
The sum of county visitor spending is less than statewide visitor spending because a portion of county ground transportation is allocated to "other travel" at the county level.

Arizona County Direct Travel Spending, 1998-2015p
($Millions)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	98-15p
Apache															
Total Spending	83	104	99	101	122	133	118	122	127	129	117	119	115	-3.5	1.9
Visitor Spending	78	96	93	92	109	118	107	108	110	111	100	103	102	-0.8	1.6
Non-transportation	72	87	85	81	94	100	93	92	90	91	81	84	87	3.6	1.2
Transportation	6	9	8	11	15	19	13	17	20	20	19	19	15	-20.9	5.4
Cochise															
Total Spending	227	266	272	312	341	376	353	370	362	350	343	338	325	-3.8	2.1
Visitor Spending	214	253	257	292	315	346	331	343	329	317	311	307	302	-1.4	2.0
Non-transportation	199	230	237	262	274	295	293	295	276	264	260	258	264	2.1	1.7
Transportation	15	22	20	30	41	51	38	47	54	53	51	48	39	-19.9	5.7
Coconino															
Total Spending	640	705	667	759	846	945	881	942	996	1,050	1,088	1,172	1,236	5.5	3.9
Visitor Spending	626	685	652	730	813	903	848	904	952	994	1,027	1,111	1,182	6.4	3.8
Non-transportation	585	629	603	662	715	787	759	790	818	853	888	967	1,059	9.5	3.6
Transportation	41	56	49	69	98	116	89	113	134	141	139	144	123	-14.7	6.7
Gila															
Total Spending	196	218	214	229	260	260	245	257	266	279	282	278	278	-0.2	2.1
Visitor Spending	191	212	208	221	251	249	237	246	253	266	269	266	268	0.9	2.0
Non-transportation	180	196	194	202	223	216	213	216	217	228	232	230	240	4.1	1.7
Transportation	11	16	14	20	27	33	24	30	36	38	37	35	28	-19.7	5.7
Graham/Greenlee															
Total Spending	36	44	40	43	62	67	53	62	70	76	88	92	69	-24.6	3.8
Visitor Spending	33	39	36	37	54	58	45	53	60	64	77	81	61	-24.7	3.7
Non-transportation	30	34	32	32	46	47	38	43	48	52	63	68	52	-23.4	3.3
Transportation	3	5	4	5	8	10	7	9	12	12	13	13	9	-31.7	6.5

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Arizona County Direct Travel Spending, 1998-2015p
($Millions)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	98-15p
La Paz															
Total Spending	105	114	117	122	127	133	130	128	139	142	144	141	140	-0.7	1.7
Visitor Spending	104	112	115	120	123	129	127	124	135	138	139	136	136	0.0	1.6
Non-transportation	97	103	107	108	108	110	113	107	113	116	118	116	120	3.4	1.2
Transportation	7	9	8	12	15	19	14	17	21	22	22	20	16	-19.7	5.3
Maricopa															
Total Spending	6,994	8,110	7,562	8,956	10,718	10,734	9,656	10,507	11,232	11,594	12,017	12,620	12,999	3.0	3.7
Visitor Spending	5,513	6,330	6,033	7,056	8,301	8,164	7,545	8,106	8,586	8,756	9,051	9,585	10,074	5.1	3.6
Non-transportation	4,219	4,837	4,634	5,270	6,059	5,845	5,492	5,756	6,048	6,198	6,416	6,804	7,291	7.2	3.3
Transportation	1,295	1,494	1,399	1,786	2,241	2,318	2,053	2,350	2,538	2,557	2,635	2,781	2,783	0.1	4.6
Mohave															
Total Spending	312	354	381	424	520	522	486	530	545	554	580	581	525	-9.6	3.1
Visitor Spending	288	321	344	387	468	450	427	461	467	474	497	494	484	-2.1	3.1
Non-transportation	260	282	307	341	400	371	368	385	380	384	405	408	417	2.2	2.8
Transportation	29	39	37	46	68	80	59	76	87	90	92	87	68	-21.9	5.1
Navajo															
Total Spending	195	249	231	233	281	308	263	275	289	304	306	307	302	-1.8	2.6
Visitor Spending	186	236	220	217	260	286	246	254	264	278	281	283	283	-0.1	2.5
Non-transportation	174	218	204	196	229	246	219	221	223	236	239	243	250	3.2	2.2
Transportation	12	18	16	21	31	40	27	34	41	43	42	40	32	-20.2	6.1
Pima															
Total Spending	1,849	2,127	2,132	2,384	2,722	2,573	2,401	2,513	2,595	2,764	2,713	2,784	2,773	-0.4	2.4
Visitor Spending	1,609	1,847	1,782	1,987	2,241	2,043	1,967	2,022	2,051	2,129	2,140	2,208	2,241	1.5	2.0
Non-transportation	1,319	1,500	1,460	1,582	1,736	1,540	1,536	1,541	1,542	1,611	1,631	1,686	1,745	3.5	1.7
Transportation	290	347	322	405	504	503	431	481	509	519	508	522	496	-5.1	3.2

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Arizona County Direct Travel Spending, 1998-2015p
($Millions)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	98-15p
Pinal															
Total Spending	222	252	272	321	418	527	499	582	631	625	621	644	641	-0.5	6.4
Visitor Spending	208	230	252	290	368	456	445	509	544	535	532	555	568	2.4	6.1
Non-transportation	191	207	230	256	316	383	389	433	452	442	442	465	495	6.4	5.8
Transportation	16	23	23	34	52	74	56	76	92	92	89	89	73	-18.1	9.2
Santa Cruz															
Total Spending	242	281	289	300	282	283	295	263	239	271	288	289	266	-7.8	0.6
Visitor Spending	239	276	285	294	274	273	287	254	228	260	278	278	258	-7.3	0.4
Non-transportation	231	264	274	279	254	250	270	233	206	235	252	254	239	-6.0	0.2
Transportation	8	11	11	15	19	23	18	21	22	25	25	24	19	-21.8	5.4
Yavapai															
Total Spending	375	471	480	513	623	655	586	620	657	695	715	746	749	0.3	4.2
Visitor Spending	352	443	450	473	569	595	540	566	597	632	651	681	707	3.8	4.2
Non-transportation	332	412	421	432	508	521	486	499	515	544	565	596	638	7.1	3.9
Transportation	20	31	29	41	61	74	54	67	82	87	86	85	69	-18.8	7.6
Yuma															
Total Spending	377	439	459	519	586	625	612	606	650	657	635	651	624	-4.2	3.0
Visitor Spending	364	419	441	487	542	570	569	553	589	594	575	590	575	-2.6	2.7
Non-transportation	344	390	413	440	478	489	505	478	498	503	488	504	503	-0.2	2.3
Transportation	20	29	28	47	64	81	64	76	92	91	87	87	73	-16.3	8.0
Arizona															
Total Spending	11,854	13,735	13,216	15,215	17,907	18,142	16,577	17,775	18,798	19,489	19,936	20,762	21,041	1.3	3.4
Visitor Spending	10,005	11,500	11,169	12,683	14,686	14,639	13,721	14,502	15,165	15,548	15,927	16,678	17,241	3.4	3.3
Non-transportation	8,232	9,390	9,201	10,140	11,441	11,199	10,774	11,088	11,425	11,757	12,081	12,683	13,399	5.6	2.9
Transportation	1,772	2,110	1,968	2,543	3,246	3,439	2,947	3,414	3,740	3,791	3,845	3,995	3,842	-3.8	4.7

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Arizona County Travel-Generated Earnings, 1998-2015p
($ Millions)

	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	Annual Percent Chg. 14-15p	98-15p
Apache	20	24	24	23	28	32	31	31	31	32	29	31	33	6.8	3.0
Cochise	50	56	59	67	73	85	82	81	78	77	77	79	81	1.4	2.9
Coconino	189	204	195	221	239	284	265	267	276	284	299	323	343	6.1	3.6
Gila	50	54	54	57	65	66	64	56	55	58	61	65	69	5.5	1.9
Graham/Greenlee	9	10	9	9	14	15	12	13	14	15	17	18	15	-18.5	3.3
La Paz	23	25	26	26	27	29	29	29	31	31	33	33	34	2.9	2.2
Maricopa	2,214	2,568	2,445	2,830	3,310	3,339	3,168	3,273	3,460	3,582	3,723	3,884	4,163	7.2	3.8
Mohave	85	94	104	110	133	136	134	125	125	124	134	145	151	4.3	3.4
Navajo	48	61	57	56	66	76	69	77	77	85	86	89	94	6.0	4.0
Pima	404	463	483	519	582	557	538	537	549	605	587	631	674	6.8	3.1
Pinal	54	58	65	74	94	122	121	125	128	134	131	137	147	7.8	6.1
Santa Cruz	44	50	52	54	52	54	54	49	44	47	49	53	58	8.1	1.6
Yavapai	105	129	134	139	166	180	163	164	164	173	181	194	207	6.9	4.1
Yuma	86	97	104	118	131	144	145	143	144	146	139	145	150	3.0	3.3
Arizona	3,380	3,895	3,811	4,303	4,979	5,118	4,874	4,969	5,176	5,393	5,546	5,827	6,217	6.7	3.6

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Arizona County Travel-Generated Employment, 1998-2015p

														Annual Percent Chg.	
	1998	2000	2002	2004	2006	2008	2009	2010	2011	2012	2013	2014	2015p	14-15p	98-15p
Apache	1,560	1,640	1,540	1,530	1,610	1,670	1,640	1,660	1,640	1,590	1,480	1,540	1,610	4.0	0.2
Cochise	3,690	3,870	3,800	3,930	4,130	4,370	4,150	4,070	3,910	3,750	3,710	3,750	3,760	0.2	0.1
Coconino	11,230	11,190	10,240	10,750	10,730	11,570	10,870	10,820	10,950	10,960	11,420	11,890	12,030	1.2	0.4
Gila	3,160	3,130	3,230	3,050	3,170	3,010	2,950	2,670	2,670	2,660	2,640	2,690	2,740	2.2	-0.8
Graham/Greenlee	40	40	40	40	60	70	50	60	70	80	90	90	70	-20.6	2.7
La Paz	1,510	1,420	1,360	1,290	1,210	1,230	1,230	1,200	1,320	1,310	1,380	1,380	1,330	-3.0	-0.7
Maricopa	84,480	88,260	78,370	84,240	90,450	89,200	83,550	83,060	85,430	87,480	90,160	94,530	99,210	5.0	0.9
Mohave	5,510	5,690	5,960	6,030	7,080	6,400	6,240	5,900	5,780	5,560	5,750	6,100	6,460	5.9	0.9
Navajo	3,440	3,950	3,430	3,150	3,370	3,590	3,210	3,520	3,510	3,650	3,690	3,760	3,940	4.9	0.8
Pima	21,320	23,110	23,050	24,230	25,130	22,240	21,830	21,440	21,630	22,950	22,600	23,440	24,060	2.6	0.7
Pinal	3,160	3,130	3,780	3,980	4,690	5,260	4,940	5,050	5,360	5,500	5,660	5,710	6,010	5.3	3.9
Santa Cruz	2,440	2,530	2,550	2,560	2,400	2,260	2,220	2,000	1,840	1,920	2,020	2,180	2,360	8.6	-0.2
Yavapai	6,380	7,110	8,140	7,910	8,240	8,450	7,690	7,480	7,470	7,730	7,910	8,500	8,790	3.4	1.9
Yuma	4,820	4,970	5,600	5,720	6,200	6,110	6,130	6,070	6,170	6,340	6,010	6,050	6,260	3.5	1.6
Arizona	153,400	160,710	151,880	159,190	169,600	166,570	157,660	155,930	158,700	162,500	165,640	172,730	179,560	4.0	0.9

Details may not add to totals due to rounding. Percentages calculated on unrounded numbers.

Apache County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	118.4	108.2	109.9	111.5	100.0	102.9	102.1
Other Travel*	14.7	13.8	16.6	17.2	16.5	16.1	12.8
Total Direct Spending	133.1	122.0	126.5	128.6	116.5	119.1	114.9
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	59.6	49.8	46.8	46.8	37.1	38.5	40.3
Private Home	34.8	34.6	38.1	39.0	37.7	39.1	37.0
Campground	7.1	7.0	7.5	7.7	7.5	7.4	7.1
Vacation Home	12.0	12.1	12.7	13.0	12.9	13.1	13.0
Day Travel	4.8	4.6	4.9	5.0	4.7	4.8	4.7
Destination Spending	118.4	108.2	109.9	111.5	100.0	102.9	102.1
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	26.1	22.2	21.1	21.0	17.3	17.9	19.1
Food Service	29.3	28.6	28.7	29.4	27.4	28.8	29.9
Food Stores	9.6	9.3	9.8	10.0	9.6	10.1	10.2
Local Tran. & Gas	18.7	16.5	19.8	20.4	18.7	18.5	14.6
Arts, Ent. & Rec.	8.9	8.3	8.2	8.3	7.6	7.8	8.0
Retail Sales	25.7	23.3	22.4	22.4	19.4	19.9	20.2
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	118.4	108.2	109.9	111.5	100.0	102.9	102.1
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	20.7	21.8	22.1	23.0	20.8	21.8	23.5
Arts, Ent. & Rec.	4.3	4.0	3.7	3.7	3.4	4.0	4.1
Retail**	5.8	4.8	4.7	4.6	4.1	4.4	4.7
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.8	0.5	0.5	0.5	0.5	0.5	0.5
Total Direct Earnings	31.6	31.0	31.0	31.9	28.9	30.8	32.9
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	1,050	1,130	1,140	1,110	1,050	1,090	1,150
Arts, Ent. & Rec.	300	300	260	240	210	220	210
Retail**	280	210	210	200	200	210	220
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	50	20	20	20	30	30	30
Total Direct Employment	1,670	1,660	1,640	1,590	1,480	1,540	1,610
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	4.0	3.9	3.8	3.8	3.2	3.3	3.5
State Tax Receipts	5.9	5.9	6.1	6.2	5.3	5.4	5.5
Total Direct Gov't Revenue	9.9	9.8	10.0	10.0	8.5	8.6	9.0

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Cochise County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	345.5	342.5	329.1	316.6	310.8	306.7	302.4
Other Travel*	30.3	27.5	32.9	33.2	32.2	31.3	22.9
Total Direct Spending	375.8	370.0	362.0	349.8	343.0	338.0	325.3
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	144.1	144.3	131.7	111.8	102.4	98.5	106.2
Private Home	62.9	65.6	69.3	68.8	68.4	67.4	66.1
Campground	9.6	9.3	10.0	10.2	10.0	9.9	9.4
Vacation Home	6.6	6.6	6.9	7.0	6.9	6.9	6.9
Day Travel	122.3	116.6	111.1	118.8	123.0	124.0	113.9
Destination Spending	345.5	342.5	329.1	316.6	310.8	306.7	302.4
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	52.1	51.9	47.2	40.2	35.2	35.5	38.4
Food Service	84.1	88.0	83.5	80.9	81.4	81.2	85.1
Food Stores	59.5	55.8	52.8	57.3	59.9	61.7	57.9
Local Tran. & Gas	50.8	47.2	53.6	53.0	51.2	48.4	38.7
Arts, Ent. & Rec.	22.8	23.0	21.8	20.1	19.6	19.0	20.0
Retail Sales	76.1	76.6	70.3	65.1	63.5	61.1	62.4
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	345.5	342.5	329.1	316.6	310.8	306.7	302.4
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	49.0	49.0	49.2	48.5	48.8	50.2	51.1
Arts, Ent. & Rec.	11.7	11.0	9.8	9.8	10.0	10.4	11.0
Retail**	21.3	18.8	17.5	16.8	16.6	17.0	17.4
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	2.7	1.7	1.7	1.7	1.8	1.9	1.1
Total Direct Earnings	84.7	80.6	78.2	76.8	77.3	79.5	80.5
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	2,550	2,480	2,440	2,380	2,340	2,360	2,370
Arts, Ent. & Rec.	810	760	700	650	650	680	690
Retail**	880	750	700	660	650	650	650
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	120	70	70	60	70	70	50
Total Direct Employment	4,370	4,070	3,910	3,750	3,710	3,750	3,760
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	14.7	15.0	14.2	13.1	12.2	12.0	12.6
State Tax Receipts	15.8	16.7	16.7	16.0	15.0	14.1	14.5
Total Direct Gov't Revenue	30.5	31.6	30.9	29.1	27.2	26.2	27.0

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Coconino County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	902.8	903.7	951.7	993.5	1,027.5	1,111.1	1,181.8
Other Travel*	42.0	38.0	44.0	56.7	60.6	60.5	54.5
Total Direct Spending	944.8	941.7	995.7	1,050.2	1,088.1	1,171.6	1,236.3
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	602.3	600.0	633.4	664.9	695.2	764.3	832.3
Private Home	53.5	58.1	62.2	63.2	63.3	65.9	64.8
Campground	24.7	23.9	25.2	26.4	25.9	25.5	24.3
Vacation Home	31.6	31.8	32.8	33.9	34.2	35.0	35.3
Day Travel	190.6	189.9	198.1	205.2	208.9	220.3	225.1
Destination Spending	902.8	903.7	951.7	993.5	1,027.5	1,111.1	1,181.8
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	276.7	271.3	289.0	304.5	323.9	363.9	415.8
Food Service	205.6	214.8	219.8	230.7	240.5	260.6	282.2
Food Stores	48.4	48.1	50.4	52.1	53.3	57.2	60.6
Local Tran. & Gas	108.6	100.1	120.3	126.8	126.0	128.2	105.7
Arts, Ent. & Rec.	139.8	138.0	138.9	142.9	145.8	154.6	163.3
Retail Sales	116.0	118.1	119.5	122.8	124.9	131.1	137.3
Visitor Air Tran.	7.7	13.4	13.7	13.7	13.2	15.5	16.8
Destination Spending	902.8	903.7	951.7	993.5	1,027.5	1,111.1	1,181.8
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	173.9	161.6	161.3	169.3	179.4	192.1	202.2
Arts, Ent. & Rec.	65.7	69.3	77.1	74.4	76.8	85.2	90.5
Retail**	27.7	24.3	24.9	25.0	25.1	27.5	30.0
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	5.8	5.8	6.4	5.5	5.4	6.5	7.9
Other Travel*	10.5	5.8	6.5	10.2	11.9	12.2	12.8
Total Direct Earnings	283.6	266.8	276.2	284.3	298.7	323.5	343.3
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	6,890	6,480	6,500	6,600	6,820	6,990	7,020
Arts, Ent. & Rec.	3,160	3,140	3,160	3,000	3,200	3,410	3,390
Retail**	1,090	930	970	950	950	990	1,050
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	120	110	120	100	100	120	150
Other Travel*	300	160	200	310	350	390	420
Total Direct Employment	11,570	10,820	10,950	10,960	11,420	11,890	12,030
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	44.1	45.6	47.7	48.9	50.4	55.8	61.6
State Tax Receipts	40.9	42.3	46.6	48.4	46.7	48.2	52.0
Total Direct Gov't Revenue	85.0	87.9	94.2	97.2	97.1	104.0	113.6

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Gila County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	248.6	246.4	253.3	266.2	269.0	265.9	268.3
Other Travel*	11.5	10.6	12.3	12.5	12.6	12.4	9.5
Total Direct Spending	260.1	257.0	265.6	278.7	281.6	278.3	277.8
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	42.6	40.7	39.6	47.4	50.6	48.9	53.5
Private Home	37.6	39.0	41.4	42.6	42.3	41.3	41.0
Campground	12.8	12.4	13.4	13.7	13.4	13.2	12.6
Vacation Home	13.6	13.4	13.8	14.0	14.1	14.3	14.3
Day Travel	142.0	140.9	145.1	148.4	148.6	148.2	147.0
Destination Spending	248.6	246.4	253.3	266.2	269.0	265.9	268.3
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	18.0	16.9	16.5	18.7	19.6	20.0	22.4
Food Service	43.2	45.4	46.0	48.8	50.2	50.3	53.2
Food Stores	20.2	20.2	21.1	21.6	21.8	22.1	22.8
Local Tran. & Gas	32.6	30.3	36.2	38.2	37.3	35.5	28.5
Arts, Ent. & Rec.	102.2	100.5	100.3	104.6	105.8	104.4	107.3
Retail Sales	32.4	33.1	33.3	34.2	34.3	33.6	34.1
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	248.6	246.4	253.3	266.2	269.0	265.9	268.3
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	23.4	22.4	22.3	24.7	26.9	28.5	30.9
Arts, Ent. & Rec.	32.8	25.2	23.8	24.6	25.6	28.0	28.8
Retail**	9.0	8.0	8.1	8.1	8.0	8.2	8.7
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.8	0.5	0.4	0.4	0.5	0.5	0.4
Total Direct Earnings	65.9	56.1	54.6	57.7	61.1	65.3	68.9
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	1,190	1,120	1,110	1,170	1,240	1,300	1,380
Arts, Ent. & Rec.	1,390	1,200	1,220	1,150	1,050	1,030	1,000
Retail**	380	330	330	320	330	330	340
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	40	20	20	20	20	20	20
Total Direct Employment	3,010	2,670	2,670	2,660	2,640	2,690	2,740
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	7.7	7.4	7.3	7.6	7.6	7.7	8.2
State Tax Receipts	11.3	11.4	11.8	12.4	12.1	11.8	12.3
Total Direct Gov't Revenue	19.0	18.8	19.1	20.0	19.8	19.5	20.4

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Graham & Greenlee Counties
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	57.7	52.6	59.6	64.4	76.5	80.8	60.8
Other Travel*	9.8	9.1	10.8	11.1	11.0	11.1	8.5
Total Direct Spending	67.5	61.7	70.4	75.6	87.6	91.8	69.3
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	27.1	21.3	25.0	29.6	40.8	44.1	27.9
Private Home	21.7	22.7	25.0	25.1	25.4	26.0	23.5
Campground	2.0	1.9	2.0	2.1	2.1	2.0	1.9
Vacation Home	0.8	0.8	0.9	0.9	0.9	0.9	0.9
Day Travel	6.0	6.0	6.6	6.8	7.3	7.7	6.5
Destination Spending	57.7	52.6	59.6	64.4	76.5	80.8	60.8
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	9.9	7.6	8.8	10.6	15.5	16.0	9.9
Food Service	15.4	15.2	16.6	17.7	20.4	22.1	18.6
Food Stores	5.2	5.2	5.6	5.7	6.1	6.5	5.9
Local Tran. & Gas	10.3	9.4	11.8	12.4	13.1	13.2	9.0
Arts, Ent. & Rec.	4.4	4.1	4.4	4.6	5.1	5.5	4.5
Retail Sales	12.5	11.2	12.4	13.5	16.3	17.5	13.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	57.7	52.6	59.6	64.4	76.5	80.8	60.8
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	9.2	7.6	8.2	9.1	10.7	11.0	8.9
Arts, Ent. & Rec.	2.5	2.4	2.5	2.7	2.8	3.0	2.5
Retail**	3.0	2.4	2.7	2.8	3.2	3.5	2.9
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.7	0.4	0.4	0.4	0.5	0.5	0.4
Total Direct Earnings	15.3	12.8	13.9	15.0	17.1	18.0	14.7
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	640	500	520	570	660	650	520
Arts, Ent. & Rec.	420	380	380	390	400	410	330
Retail**	120	100	110	110	120	130	110
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	30	20	20	20	20	20	20
Total Direct Employment	1,230	1,000	1,030	1,090	1,210	1,210	980
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	2.3	2.0	2.3	2.5	3.2	3.3	2.5
State Tax Receipts	3.1	3.0	3.4	3.7	4.0	4.1	3.3
Total Direct Gov't Revenue	5.4	5.1	5.7	6.2	7.2	7.4	5.8

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

La Paz County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	129.2	123.9	134.6	137.6	139.2	136.0	136.0
Other Travel*	4.3	3.9	4.7	4.8	4.7	4.6	3.6
Total Direct Spending	133.5	127.8	139.3	142.4	143.9	140.6	139.6
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	6.6	3.9	6.9	8.3	10.2	8.8	10.3
Private Home	14.5	14.3	16.5	16.4	16.4	15.6	15.6
Campground	31.2	30.4	31.9	32.5	31.9	31.4	30.6
Vacation Home	16.7	16.3	16.9	17.1	17.3	17.5	17.3
Day Travel	60.1	59.0	62.4	63.3	63.5	62.8	62.1
Destination Spending	129.2	123.9	134.6	137.6	139.2	136.0	136.0
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	10.1	8.5	9.6	10.1	10.8	10.6	11.4
Food Service	22.5	22.8	24.5	25.3	26.2	25.9	27.4
Food Stores	12.4	12.1	13.0	13.2	13.3	13.4	13.8
Local Tran. & Gas	18.9	17.1	21.3	22.0	21.5	20.2	16.2
Arts, Ent. & Rec.	47.7	45.9	47.7	48.4	48.8	47.8	48.8
Retail Sales	17.6	17.5	18.4	18.5	18.6	18.1	18.4
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	129.2	123.9	134.6	137.6	139.2	136.0	136.0
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	9.8	10.6	12.5	12.5	13.4	13.3	13.6
Arts, Ent. & Rec.	14.1	13.6	14.2	14.4	14.8	15.1	15.5
Retail**	4.9	4.2	4.4	4.3	4.3	4.4	4.6
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Total Direct Earnings	28.9	28.5	31.3	31.3	32.6	32.9	33.9
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	520	560	650	650	700	690	670
Arts, Ent. & Rec.	480	450	470	480	500	510	480
Retail**	210	180	190	180	180	170	180
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	10	10	10	10	10	10	10
Total Direct Employment	1,230	1,200	1,320	1,310	1,380	1,380	1,330
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	4.0	4.0	4.3	4.4	4.3	4.2	4.4
State Tax Receipts	5.5	5.7	6.2	6.3	6.2	5.9	6.0
Total Direct Gov't Revenue	9.5	9.7	10.6	10.7	10.6	10.1	10.4

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Maricopa County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	8,164	8,106	8,586	8,756	9,051	9,585	10,074
Other Travel*	2,571	2,401	2,645	2,838	2,966	3,035	2,925
Total Direct Spending	10,734	10,507	11,232	11,594	12,017	12,620	12,999
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	4,444	4,269	4,535	4,657	4,839	5,178	5,575
Private Home	2,155	2,255	2,370	2,381	2,451	2,568	2,651
Campground	240	231	243	245	253	271	267
Vacation Home	254	257	268	278	284	294	299
Day Travel	1,069	1,093	1,170	1,195	1,223	1,273	1,282
Destination Spending	8,164	8,106	8,586	8,756	9,051	9,585	10,074
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	1,638	1,372	1,479	1,526	1,600	1,751	1,979
Food Service	1,712	1,829	1,917	1,984	2,070	2,200	2,349
Food Stores	268	271	289	294	303	323	339
Local Tran. & Gas	1,037	1,038	1,175	1,204	1,224	1,261	1,166
Arts, Ent. & Rec.	1,074	1,083	1,116	1,132	1,156	1,203	1,253
Retail Sales	1,154	1,201	1,246	1,262	1,286	1,327	1,372
Visitor Air Tran.	1,281	1,311	1,363	1,353	1,411	1,520	1,618
Destination Spending	8,164	8,106	8,586	8,756	9,051	9,585	10,074
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	1,195	1,153	1,214	1,248	1,319	1,395	1,488
Arts, Ent. & Rec.	505	510	517	556	585	637	666
Retail**	212	197	208	206	207	224	241
Ground Tran.	102	109	116	119	120	129	139
Visitor Air Tran.	543	564	612	602	602	610	684
Other Travel*	782	740	792	851	890	889	944
Total Direct Earnings	3,339	3,273	3,460	3,582	3,723	3,884	4,163
Industry Employment Generated by Travel Spending (Thousand Jobs)							
Accom. & Food Serv.	42.0	40.0	41.4	41.7	43.6	45.0	46.5
Arts, Ent. & Rec.	16.8	15.7	16.0	16.6	17.5	18.7	20.0
Retail**	6.5	5.9	5.9	5.9	6.1	6.4	6.8
Ground Tran.	2.8	2.8	2.9	3.0	3.0	3.2	3.3
Visitor Air Tran.	7.5	6.8	7.0	7.2	7.0	7.3	7.7
Other Travel*	13.7	11.9	12.2	13.2	12.9	14.0	14.9
Total Direct Employment	89.2	83.1	85.4	87.5	90.2	94.5	99.2
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	455.3	447.4	472.2	475.7	494.9	515.6	561.4
State Tax Receipts	401.0	418.1	461.0	473.2	467.3	462.6	490.9
Total Direct Gov't Revenue	856.3	865.4	933.2	948.9	962.2	978.1	1,052.3

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations, resident air travel, travel arrangement services, and convention and trade shows. **Retail includes gasoline.

Mohave County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	450.5	460.6	466.8	473.6	497.1	494.5	484.3
Other Travel*	71.1	69.2	78.3	80.4	83.3	86.3	40.7
Total Direct Spending	521.6	529.9	545.1	554.0	580.4	580.8	525.0
All Overnight							
Hotel, Motel	112.4	119.0	119.5	120.0	124.7	132.6	137.2
Private Home	153.7	155.7	157.5	160.8	173.5	165.5	155.6
Campground	21.2	20.5	22.1	22.6	22.2	21.8	20.8
Vacation Home	38.3	37.8	39.5	40.4	40.6	41.3	41.5
Day	124.8	127.6	128.2	129.8	136.1	133.2	129.1
Destination Spending	450.5	460.6	466.8	473.6	497.1	494.5	484.3
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	57.8	55.3	56.2	56.5	58.7	64.0	69.3
Food Service	118.5	128.8	126.4	129.4	138.7	139.3	142.6
Food Stores	42.5	43.1	43.5	44.1	46.7	46.5	46.9
Local Tran. & Gas	79.5	75.5	87.1	89.7	92.2	86.8	67.8
Arts, Ent. & Rec.	82.3	84.3	81.8	82.0	85.7	84.7	84.9
Retail Sales	69.8	73.6	71.7	71.9	75.1	73.2	72.7
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	450.5	460.6	466.8	473.6	497.1	494.5	484.3
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	62.6	62.8	64.9	61.3	66.8	71.6	89.9
Arts, Ent. & Rec.	40.9	31.8	29.1	32.0	34.5	39.0	39.2
Retail**	20.0	18.0	17.7	17.3	18.0	18.2	18.9
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	12.9	12.5	12.8	13.1	14.6	16.1	3.1
Total Direct Earnings	136.5	125.1	124.6	123.8	133.9	144.9	151.1
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	3,190	3,220	3,240	2,950	3,110	3,290	3,940
Arts, Ent. & Rec.	2,030	1,630	1,500	1,580	1,590	1,750	1,790
Retail**	680	630	610	600	620	610	620
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	490	430	430	430	430	450	110
Total Direct Employment	6,400	5,900	5,780	5,560	5,750	6,100	6,460
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	16.8	16.9	16.8	16.5	17.5	18.1	19.2
State Tax Receipts	21.9	23.2	24.1	24.3	24.4	23.7	24.1
Total Direct Gov't Revenue	38.7	40.1	40.9	40.8	41.9	41.7	43.3

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Navajo County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	285.6	254.4	263.8	278.5	280.8	283.0	282.6
Other Travel*	22.9	21.0	24.9	25.4	24.8	24.5	19.4
Total Direct Spending	308.5	275.4	288.7	303.9	305.7	307.4	302.0
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	141.3	114.3	115.2	128.1	130.4	131.3	134.1
Private Home	53.9	52.4	57.1	58.5	57.7	58.2	55.8
Campground	17.2	16.7	17.6	16.4	16.8	16.2	16.1
Vacation Home	45.6	45.2	46.7	47.4	47.9	48.9	48.9
Day Travel	27.7	25.8	27.2	28.1	28.1	28.3	27.8
Destination Spending	285.6	254.4	263.8	278.5	280.8	283.0	282.6
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	60.4	50.1	50.5	55.0	56.5	57.0	59.5
Food Service	69.3	65.5	66.6	70.7	72.2	74.3	77.6
Food Stores	20.2	19.1	20.1	20.4	20.6	21.2	21.8
Local Tran. & Gas	39.7	33.9	40.7	42.7	41.7	40.4	32.2
Arts, Ent. & Rec.	32.0	29.6	29.6	30.0	30.2	30.3	30.9
Retail Sales	64.0	56.3	56.2	59.6	59.7	59.7	60.7
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	285.6	254.4	263.8	278.5	280.8	283.0	282.6
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	48.8	48.0	47.6	52.1	53.5	54.5	58.7
Arts, Ent. & Rec.	13.3	17.9	18.3	21.7	21.8	22.8	23.3
Retail**	12.7	10.1	10.4	10.5	10.4	10.9	11.5
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	1.3	0.8	0.8	0.8	0.8	0.8	0.8
Total Direct Earnings	76.1	76.9	77.1	85.2	86.5	89.0	94.3
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	2,330	2,250	2,250	2,300	2,330	2,350	2,420
Arts, Ent. & Rec.	680	810	810	890	900	940	1,040
Retail**	510	410	410	420	410	420	440
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	70	40	40	40	40	40	40
Total Direct Employment	3,590	3,520	3,510	3,650	3,690	3,760	3,940
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	11.3	10.6	10.7	11.4	10.9	11.1	12.0
State Tax Receipts	13.5	13.2	14.1	14.9	14.2	13.8	14.2
Total Direct Gov't Revenue	24.9	23.9	24.8	26.3	25.0	24.9	26.2

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Pima County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	2,043	2,022	2,051	2,129	2,140	2,208	2,241
Other Travel*	530	491	544	635	573	576	532
Total Direct Spending	2,573	2,513	2,595	2,764	2,713	2,784	2,773
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	903	895	908	946	953	994	1,053
Private Home	451	452	467	468	460	474	474
Campground	36	29	31	33	32	31	30
Vacation Home	47	47	49	50	51	52	52
Day Travel	605	598	595	633	644	657	631
Destination Spending	2,043	2,022	2,051	2,129	2,140	2,208	2,241
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	349	316	320	330	333	349	379
Food Service	475	508	514	542	552	576	611
Food Stores	132	129	131	138	140	146	146
Local Tran. & Gas	279	278	306	321	318	321	292
Arts, Ent. & Rec.	173	174	175	178	177	181	186
Retail Sales	411	413	401	423	428	433	423
Visitor Air Tran.	223	204	203	198	190	202	204
Destination Spending	2,043	2,022	2,051	2,129	2,140	2,208	2,241
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	304	298	309	334	337	360	393
Arts, Ent. & Rec.	76	77	75	76	75	85	88
Retail**	79	72	72	73	73	77	79
Ground Tran.	25	27	28	29	29	31	33
Visitor Air Tran.	12	11	10	9	8	10	11
Other Travel*	61	52	54	84	65	67	69
Total Direct Earnings	557	537	549	605	587	631	674
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	12,700	12,420	12,720	13,330	13,340	13,810	14,300
Arts, Ent. & Rec.	3,860	4,090	4,070	4,080	4,060	4,350	4,440
Retail**	2,880	2,560	2,540	2,520	2,510	2,610	2,610
Ground Tran.	690	700	710	740	740	750	800
Visitor Air Tran.	250	210	200	180	130	170	170
Other Travel*	1,860	1,450	1,400	2,110	1,820	1,750	1,750
Total Direct Employment	22,240	21,440	21,630	22,950	22,600	23,440	24,060
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	73.0	72.5	73.4	75.9	75.1	76.8	81.9
State Tax Receipts	101.5	106.0	112.6	118.5	112.9	111.0	115.4
Total Direct Gov't Revenue	174.5	178.5	186.0	194.4	187.9	187.8	197.3

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations, resident air travel, travel arrangement services, and convention and trade shows. **Retail includes gasoline.

Pinal County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	456.2	508.7	544.1	534.7	531.8	554.5	568.1
Other Travel*	70.9	73.3	87.4	90.4	89.0	89.5	72.7
Total Direct Spending	527.2	582.0	631.4	625.1	620.7	644.0	640.7
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	37.1	34.7	40.0	37.8	33.3	33.4	38.1
Private Home	199.9	237.3	252.3	243.2	245.0	260.1	269.4
Campground	48.2	46.6	50.2	51.4	50.5	49.6	47.3
Vacation Home	67.4	74.8	77.0	79.5	80.5	84.2	86.2
Day Travel	103.6	115.4	124.5	122.8	122.4	127.3	127.1
Destination Spending	456.2	508.7	544.1	534.7	531.8	554.5	568.1
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	42.3	40.3	43.0	42.9	41.7	43.0	46.8
Food Service	140.1	166.0	173.5	171.1	173.3	184.7	199.1
Food Stores	42.3	46.8	49.8	49.0	49.2	52.3	55.2
Local Tran. & Gas	73.7	75.6	92.4	92.3	89.4	89.4	73.2
Arts, Ent. & Rec.	66.2	73.7	75.5	73.5	73.1	76.3	80.0
Retail Sales	91.6	106.2	109.8	105.9	105.0	108.9	113.8
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	456.2	508.7	544.1	534.7	531.8	554.5	568.1
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	62.8	72.5	75.4	79.4	76.8	78.1	84.9
Arts, Ent. & Rec.	34.0	28.9	28.2	31.0	31.1	33.6	35.4
Retail**	20.9	21.0	21.9	20.7	20.3	22.0	23.9
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	4.0	2.7	2.6	2.6	2.7	2.9	3.0
Total Direct Earnings	121.8	125.1	128.2	133.7	131.0	136.6	147.2
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	2,980	3,030	3,210	3,310	3,510	3,470	3,650
Arts, Ent. & Rec.	1,260	1,120	1,210	1,310	1,270	1,300	1,350
Retail**	810	770	820	760	760	800	870
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	200	130	130	120	130	140	140
Total Direct Employment	5,260	5,050	5,360	5,500	5,660	5,710	6,010
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	17.0	19.3	20.1	19.7	19.3	19.7	21.2
State Tax Receipts	23.3	27.4	29.6	29.3	28.1	27.8	29.4
Total Direct Gov't Revenue	40.3	46.7	49.6	49.0	47.3	47.5	50.7

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Santa Cruz County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	272.9	253.6	228.2	260.0	277.7	278.2	257.8
Other Travel*	10.1	9.1	10.9	11.2	10.8	10.5	8.3
Total Direct Spending	283.0	262.7	239.2	271.2	288.5	288.6	266.1
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	39.0	36.2	28.0	31.0	35.1	32.6	39.2
Private Home	33.1	34.9	36.4	38.2	38.0	36.0	36.0
Campground	1.3	1.2	1.3	1.4	1.3	1.3	1.3
Vacation Home	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Day Travel	198.2	180.0	161.2	188.2	201.9	206.9	180.0
Destination Spending	272.9	253.6	228.2	260.0	277.7	278.2	257.8
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	16.9	15.5	11.9	12.8	14.0	13.4	16.4
Food Service	41.1	41.2	37.0	41.5	44.8	44.4	45.6
Food Stores	92.9	83.8	76.1	88.6	95.3	98.9	88.4
Local Tran. & Gas	23.2	20.7	22.3	25.0	25.5	23.9	18.7
Arts, Ent. & Rec.	9.3	9.1	8.0	8.5	9.0	8.4	9.5
Retail Sales	89.5	83.3	72.9	83.7	89.1	89.1	79.3
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Destination Spending	272.9	253.6	228.2	260.0	277.7	278.2	257.8
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	21.1	20.8	18.4	19.1	19.8	22.3	27.7
Arts, Ent. & Rec.	5.1	4.2	4.1	4.3	4.4	5.2	5.9
Retail**	27.3	23.6	20.8	23.1	24.2	25.3	23.6
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Travel*	0.7	0.3	0.3	0.3	0.3	0.4	0.4
Total Direct Earnings	54.1	48.8	43.6	46.9	48.7	53.3	57.6
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	1,000	970	870	900	930	1,040	1,230
Arts, Ent. & Rec.	340	290	300	290	330	390	440
Retail**	900	720	650	710	740	730	680
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	0	0	0	0	0	0	0
Other Travel*	30	20	20	20	20	20	20
Total Direct Employment	2,260	2,000	1,840	1,920	2,020	2,180	2,360
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	8.4	8.2	7.2	7.9	8.1	8.0	8.1
State Tax Receipts	10.6	10.5	9.9	11.1	11.1	10.6	10.4
Total Direct Gov't Revenue	19.1	18.7	17.1	18.9	19.1	18.6	18.5

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Yavapai County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	594.6	566.4	596.9	631.9	650.8	680.9	707.0
Other Travel*	60.0	53.6	60.6	62.8	64.1	65.3	41.6
Total Direct Spending	654.5	620.0	657.5	694.7	714.9	746.2	748.7
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	234.4	209.7	221.3	245.6	261.6	282.8	311.4
Private Home	77.0	78.6	85.4	87.5	87.8	89.6	87.5
Campground	13.0	12.6	13.2	13.8	13.5	14.7	14.6
Vacation Home	24.2	23.9	24.7	25.4	25.8	26.7	27.1
Day Travel	246.0	241.6	252.2	259.6	262.0	267.1	266.4
Destination Spending	594.6	566.4	596.9	631.9	650.8	680.9	707.0
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	121.3	104.4	109.6	122.7	133.3	147.4	169.7
Food Service	113.7	115.8	120.0	127.1	132.4	139.9	149.4
Food Stores	41.5	40.7	43.1	44.4	45.3	47.6	49.6
Local Tran. & Gas	73.6	66.6	81.0	85.7	84.9	84.4	68.5
Arts, Ent. & Rec.	166.3	160.5	162.9	168.3	170.9	176.0	182.1
Retail Sales	77.8	77.6	79.3	81.8	83.0	84.7	87.1
Visitor Air Tran.	0.4	0.8	1.0	1.8	1.0	0.8	0.7
Destination Spending	594.6	566.4	596.9	631.9	650.8	680.9	707.0
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	83.5	73.5	77.7	85.8	93.1	100.6	115.0
Arts, Ent. & Rec.	68.8	67.9	63.0	64.4	63.4	67.2	69.7
Retail**	19.0	16.4	17.0	17.1	17.1	18.2	19.6
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.3	0.3	0.3	0.4	0.3	0.3	0.5
Other Travel*	8.3	6.1	5.7	5.9	6.7	7.4	2.4
Total Direct Earnings	179.8	164.3	163.8	173.5	180.5	193.8	207.2
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	3,520	3,040	3,180	3,430	3,590	3,810	4,120
Arts, Ent. & Rec.	3,840	3,540	3,410	3,430	3,460	3,790	3,840
Retail**	770	650	670	660	660	690	720
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	10	10	10	10	10	10	10
Other Travel*	310	240	210	200	190	200	100
Total Direct Employment	8,450	7,480	7,470	7,730	7,910	8,500	8,790
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	25.5	24.4	24.9	26.2	28.1	30.0	33.0
State Tax Receipts	28.0	28.0	30.0	31.6	30.9	31.1	33.0
Total Direct Gov't Revenue	53.4	52.3	54.9	57.8	59.0	61.1	66.1

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

Yuma County
Travel Impacts, 2008-2015p

	2008	2010	2011	2012	2013	2014	2015p
Total Direct Travel Spending ($Million)							
Destination Spending	569.9	553.0	589.5	594.5	575.1	590.4	575.1
Other Travel*	54.7	52.6	60.9	62.3	60.2	60.8	48.6
Total Direct Spending	624.6	605.7	650.4	656.7	635.3	651.2	623.8
Visitor Spending by Type of Accommodation ($Million)							
Hotel, Motel	140.2	130.3	151.2	149.2	131.9	137.7	145.8
Private Home	78.6	79.9	90.6	87.7	86.7	90.8	88.9
Campground	72.5	74.8	79.2	72.9	68.0	66.9	65.3
Vacation Home	43.7	44.5	47.4	48.2	48.5	49.5	49.7
Day Travel	234.9	223.5	221.1	236.3	240.0	245.4	225.5
Destination Spending	569.9	553.0	589.5	594.5	575.1	590.4	575.1
Visitor Spending by Commodity Purchased ($Million)							
Accommodations	66.8	60.1	67.5	65.2	59.0	62.1	67.2
Food Service	103.8	107.3	115.1	116.5	113.8	119.2	122.5
Food Stores	72.9	69.1	69.2	73.5	75.1	78.4	74.4
Local Tran. & Gas	68.4	63.2	79.2	79.4	74.2	73.2	57.6
Arts, Ent. & Rec.	121.1	120.9	129.6	124.4	115.6	117.6	120.7
Retail Sales	124.4	120.1	116.4	123.7	124.9	126.4	117.7
Visitor Air Tran.	12.4	12.3	12.3	11.7	12.5	13.6	15.0
Destination Spending	569.9	553.0	589.5	594.5	575.1	590.4	575.1
Industry Earnings Generated by Travel Spending ($Million)							
Accom. & Food Serv.	58.0	62.4	63.0	63.7	63.7	64.6	68.7
Arts, Ent. & Rec.	50.7	50.0	50.5	52.0	45.5	48.5	50.0
Retail**	31.4	27.4	27.1	27.7	27.5	29.1	28.5
Ground Tran.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Visitor Air Tran.	0.3	0.7	0.8	0.3	0.3	0.3	0.4
Other Travel*	3.4	2.8	3.0	2.3	2.5	2.6	2.0
Total Direct Earnings	143.7	143.2	144.4	145.9	139.4	145.2	149.6
Industry Employment Generated by Travel Spending (Jobs)							
Accom. & Food Serv.	2,790	2,850	2,920	2,840	2,850	2,830	2,940
Arts, Ent. & Rec.	2,060	2,140	2,200	2,490	2,160	2,190	2,340
Retail**	1,110	960	930	920	900	930	890
Ground Tran.	0	0	0	0	0	0	0
Visitor Air Tran.	10	10	20	10	10	10	10
Other Travel*	130	100	100	90	90	90	80
Total Direct Employment	6,110	6,070	6,170	6,340	6,010	6,050	6,260
Government Revenue Generated by Travel Spending ($Million)							
Local Tax Receipts	21.4	21.3	22.0	21.9	20.8	21.1	21.5
State Tax Receipts	25.6	26.7	28.9	29.1	27.0	26.3	26.4
Total Direct Gov't Revenue	47.0	47.9	50.9	50.9	47.7	47.4	47.9

Details may not add to totals due to rounding.

*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. **Retail includes gasoline.

APPENDICES

APPENDIX A	2015 TRAVEL IMPACT ESTIMATES
APPENDIX B	KEY TERMS AND DEFINITIONS
APPENDIX C	REGIONAL TRAVEL IMPACT MODEL
APPENDIX D	TRAVEL INDUSTRY ACCOUNTS
APPENDIX E	ARIZONA EARNINGS AND EMPLOYMENT BY INDUSTRY SECTOR
APPENDIX F	INDUSTRY GROUPS

2015 TRAVEL IMPACT ESTIMATES

This appendix provides a brief overview of the methodology, terminology and limitations of the travel impact and visitor volume estimates.

DIRECT IMPACTS

The estimates of the direct impacts associated with traveler spending in Arizona were produced using the Regional Travel Impact Model (RTIM) developed by Dean Runyan Associates. The input data used to detail the economic impacts of the Arizona travel industry were gathered from various local, state and federal sources.

Travel impacts consist of estimates of travel spending and the employment, earnings, and state and local taxes generated by this spending. These estimates are also broken out by type of traveler accommodation and by the type of business in which the expenditures occur.

GROUND TRANSPORTATION ESTIMATES

County and regional level estimates of destination or visitor spending include only a portion of the ground transportation expenditures for travel that occur in the county. The remaining portion is included in "other travel" as it represents transportation costs for travel to another destination within Arizona. State level estimates of visitor spending include all of these expenditures for ground transportation.

SECONDARY (INDIRECT AND INDUCED) IMPACTS

Direct impacts are reported for all counties within Arizona. Secondary employment and earnings impacts over and above direct impacts are reported at the state level only for the year 2015. These indirect and induced impacts are generated from the direct impacts produced by the RTIM, discussed above, and an input-output model of the Arizona economy prepared by the Implan Group, LLC. Indirect impacts represent the purchases of goods and services from other firms by businesses that directly receive expenditures from travelers. Hotels, for example, purchase maintenance services from independent contractors. Induced impacts represent the purchase of goods and services by employees whose earnings are in part derived from travel expenditures. The sum of the direct, indirect and induced impacts equals the total impact of all spending by visitors in the state. The "multiplier" refers to the ratio of the total impacts to the direct impacts for employment or earnings. A description of the methodology used to estimate secondary impacts can be found in the Appendix.

PRELIMINARY ESTIMATES

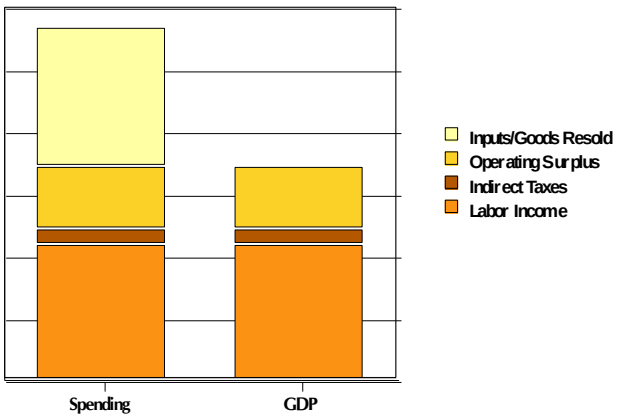
Preliminary estimates for 2015 were prepared at the state, regional and county level. These estimates take advantage of the most current available data. However, because full-year data was not available in all cases, these estimates are subject to subsequent revision as additional information relating to travel and its economic impact in 2015 becomes available.

GROSS DOMESTIC PRODUCT

An estimate of the Gross Domestic Product (GDP) of the Arizona travel industry based on the RTIM direct travel impacts is also provided in this report. The GDP of an industry is equal to gross output (sales or receipts) minus intermediate inputs (the goods and services purchased from other industries). GDP is always less than output or sales because GDP measures only the "value added" of an industry and does not include the cost of the inputs that are also necessary to produce a good or service. GDP is a useful concept because it permits comparisons of the economic contributions of different industries.

The relationship between spending and gross domestic product is illustrated in the figure below. Examples of inputs are the food or accounting services that restaurants purchase from suppliers. "Goods resold" are the commodities that retail establishments purchase from manufacturers or wholesale trade businesses and resell with a markup. These inputs or goods are not counted as the GDP of the restaurant or retail industry because their value was created in other industries (agriculture, accounting, manufacturing).

Relationship Between Spending and Gross Domestic Product



It is for this reason that "travel spending" – as measured from surveys of visitors – is not the best measure of the travel industry's real economic contribution. This is because some visitor spending is actually counted as the GDP of other industries (e.g., agriculture, accounting, manufacturing). Furthermore, these other industries may or may not be located within the geographic area of interest. If the farm were located within the region of interest, then the GDP of the local farm would be included as an indirect or secondary effect. If not (e.g., a manufacturing firm in another state or country), then that portion of GDP is not counted.

The preceding graph also shows the three main components of GDP. For most industries, labor income (essentially equivalent to earnings in this report) is the primary component of GDP. This is true of the travel industry. A second component is the tax payments that businesses make to government, such as sales, excise and property taxes. In the case of excise taxes, businesses are essentially a collection agency for the government. The final component, operating surplus, represents the income and payments (e.g., dividends, interest) to other stakeholders of the firm.

The concept of GDP also illustrates that with small geographic units of analysis (e.g., counties), earnings, employment, and tax revenues are the best measures of the economic value of the travel industry to the local economy. Small area measures of GDP are less reliable and much of the operating surplus may leak out of the local economy anyway. Indirect effects are also generally less in smaller economies.

COMPARISON WITH OTHER EXPORT-ORIENTED INDUSTRIES

Export-oriented industries are those industries that primarily market their products and services to other regions, states or nations. Agriculture, extractive industries, and manufacturing are the best examples of goods producing export-oriented industries. Many professional services (e.g., engineering, architecture, law) are also traded in export markets. The travel industry is also an export-oriented industry because goods and services are sold to *visitors*, rather than residents. The travel industry injects money into the local economy, as do the exports of other industries.

Exports are not necessarily more important than locally traded goods and services. However, diverse export-oriented industries in any economy are a source of strength – in part because they generate income that contributes to the development of other local services and amenities. Such industries characterize the "comparative advantage" of the local economy within larger regional, national and global markets.

For the purposes of this report, we have defined five major export-oriented industries in Arizona.

- **Aerospace**. This industry comprises establishments engaged in aerospace product and parts manufacturing.
- **Microelectronics**. This industry includes establishments that manufacture computers, communications equipment and similar products and components that utilize integrated circuits. This is the largest manufacturing subsector (NAICS 334).
- **Food**. The food group encompasses parts of two major industry categories: agriculture, and food manufacturing or processing.
- **Mining**. This industry is comprised primarily of copper mining companies.
- **Travel**. A portion of the transportation, retail, leisure, and hospitality industries as estimated in this report.

Comparisons with these industries are more meaningful for the travel industry than comparisons with non-export oriented industries (e.g., health care, retail trade, government) where industry growth is largely a function of population and demographic factors. See Appendix C for a list of Arizona industries.

INTERPRETATION OF IMPACT ESTIMATES

Users of this report should be aware of several issues regarding the interpretation of the impact estimates contained herein:

- The estimates contained in this report are based on the most current data available and supersede all previous estimates of travel impacts.
- The estimates in this report are expressed in *current* dollars unless otherwise noted.
- The employment estimates in this report are estimates of the total number of full and part-time jobs directly generated by travel spending, rather than the number of individuals employed. Both payroll and self-employment are included in these estimates. Caution should therefore be used in comparing these estimates with other employment data series.
- In general, estimates of small geographic areas (e.g., rural counties) are less reliable than estimates for regions or metropolitan counties. Trend analysis and comparisons of counties with relatively low levels of travel related economic activity should therefore be interpreted cautiously.
- The estimates of travel impacts published in this report will necessarily differ somewhat from estimates generated from different models, methodologies and data sources. Nonetheless, it should be emphasized that all credible estimates of direct travel impacts at the state level, including those of Dean Runyan Associates, are of similar magnitude.

KEY TERMS AND DEFINITIONS

Commodity: A classification of a product or service, such as lodging or food service. An establishment or industry may produce more than one commodity.

Direct Impacts: Employment, earnings and tax receipts *directly* generated by travel spending, as distinguished from secondary and total impacts.

Earnings: Earnings include wage and salary disbursements, other earned income or benefits, and proprietor income. Only the earnings attributable to travel expenditures are included.

Employment: Industry employment (jobs) associated with travel-generated *earnings*. Includes both full-time and part-time positions, and salaried or self-employed individuals. Employment is reported as an average for a time period, typically annual. (Unless otherwise noted, the employment estimates refer to establishment or industry employment at place of work, not the employment status or residence of the individual.)

Federal Taxes: Federal taxes include the motor fuel excise tax, airline ticket taxes, and personal income and payroll taxes.

Industry: A classification of business or government establishments based on their primary technological process. (See NAICS Appendix table.)

Local Taxes: Lodging, sales and auto rental taxes imposed by cities, counties and other regional tax jurisdictions in Arizona. These taxes are levied on sales to visitors and the spending of employees attributable to travel industry earnings. Passenger Facility Charges attributable to visitors (a fee imposed on airline tickets) are included in counties with airports. Property tax payments attributable to travel industry businesses and employees and a portion of tribal contributions from gaming to local governments are also included.

Other spending: Other spending includes spending by residents on ground and air transportation for travel to other destinations, spending on travel arrangement services, and convention/ trade shows.

Private Home: Unpaid overnight accommodations of friends and relatives.

Receipts: Travel expenditures less the sales and excise taxes paid by the consumer.

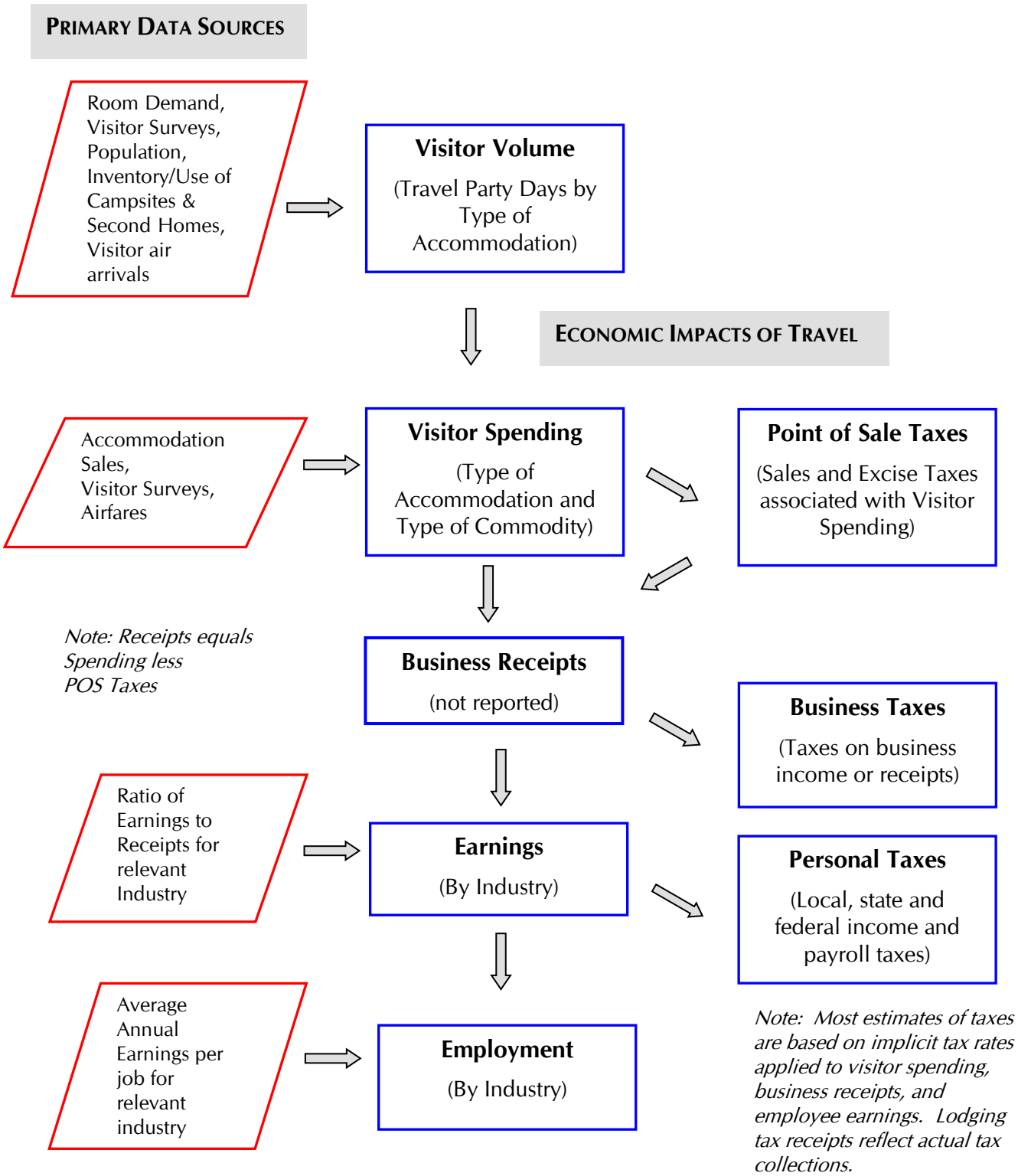
State Taxes: Lodging, sales, motor fuel, and business and personal income taxes imposed by the state of Arizona. These taxes are levied on sales to visitors and the spending of employees attributable to travel industry earnings. A portion of tribal contributions from gaming to state government is also included

Total Impacts: The sum of *Direct* and *Secondary* impacts.

Travel spending: The sum of visitor and other spending related to travel.

Visitor spending: All spending on goods & services by visitors at the destination. Also referred to as destination spending.

REGIONAL TRAVEL IMPACT MODEL



TRAVEL INDUSTRY ACCOUNTS: A COMPARISON OF THE REGIONAL TRAVEL IMPACT MODEL AND TRAVEL & TOURISM SATELLITE ACCOUNTS

An economic account is a method for displaying inter-related information about a set of economic activities. A travel industry account is a method to report different types of related information about the purchase of goods and services by visitors. The Bureau of Economic Analysis (BEA), which now provides annual and quarterly estimates of travel and tourism at the national level, describes a Travel and Tourism Satellite Account (TTSA) as "present(ing) a rearrangement of information from the National Income and Product Accounts, from the industry accounts, and from other sources so that travel and tourism activities can be analyzed more completely than is possible in the structure of the traditional national economic accounts."[1] Similarly, the RTIM has been developed by Dean Runyan Associates to estimate travel spending, earnings, employment, and tax receipts at the state, county, and regional levels. These initial findings can, in turn, be used as input data for deriving estimates of other economic measures, such as value-added and indirect effects.

This appendix provides an overview of the Regional Travel Impact Model (RTIM) and travel and tourism satellite accounts (TTSAs). Although there is no single or absolute form of a TTSA, the one developed by the Bureau of Economic Analysis (BEA) will be the basis of the analysis here. The definitions, framework, and estimating methods used for the U.S. BEA TTSA follow, as closely as is practicable, the guidelines for similar travel satellite accounts that were developed by the World Tourism Organization (WTO) and the Organization for Economic Co-operation and Development (OECD).

The primary focus is on the direct impacts of visitor spending. Visitors are defined as persons that stay overnight away from home, or travel more than fifty miles one-way on a non-routine trip. Only the expenditures related to specific trips are counted as visitor spending. Other travel related expenditures such as the consumption of durable goods (e.g., recreational vehicles or sporting equipment) or the purchase of vacation homes are not considered.

While such a definition of the travel industry (i.e., the trip related expenditures of visitors) is conservative, it is also in keeping with the notion of the travel industry as being an export-oriented industry for specific local communities. That is, visitors are important to regions because they inject money into the local economy. This focus on the export-oriented nature of the travel industry for local communities becomes blurred if the industry is defined so as to include non-trip related expenditures.

[1] Peter D. Kuhbach, Mark A. Planting, and Erich H. Strassner, "U.S. Travel and Tourism Satellite Accounts for 1998-2003," Survey of Current Business 84 (September 2004): 43-59.

PRIMARY CONCEPTS, CATEGORIES & DATA REQUIREMENTS

There are three primary types of information that are measured and/or estimated in a travel industry account. The first is a measure of the ***travel industry*** in terms of both the characteristics of the business firms that sell travel goods and services and the characteristics of consumers that purchase travel industry goods and services. The second is a measure of the ***demand segments*** that consume travel industry goods and services. For example, the distinction between business and leisure travel is a measure of demand segments. The third is a measure of the ***components of economic output*** associated with the travel industry. The employee earnings generated by visitor spending is one such component. Travel-generated tax receipts are another. These three categories of information represent different aspects of the accounting ledger – they represent different ways of viewing or analyzing the travel industry.

The bulk of this paper will discuss these three types of information in terms of their conceptual foundations, the data requirements, and some of the more salient issues that users of this information should be aware of. There will also be some discussion of ***indirect and induced effects*** in that these effects can be reasonably estimated from the direct travel industry accounts. These secondary (versus direct) effects describe the relationship of the travel industry to other sectors of the larger economy.

The intent of this discussion will be to provide a general overview of the process of constructing travel industry accounts and the underlying similarity between the RTIM and a TTSA. More technical issues are generally placed in footnotes.

TRAVEL INDUSTRY

Defining the travel industry is probably the most critical and data intensive effort involved in developing a travel industry account. It is an exercise in matching supply (sellers of goods and services) with demand (the travelers that purchase those particular goods and services). It is complicated by the fact that no single industrial classification scheme provides a valid measure of the travel industry.[2] There are only three significant industrial classifications (Accommodations [NAICS 721], Scheduled Passenger Air Transportation [NAICS 481111] and Travel Arrangement and Reservation Services [NAICS 5615]) that *primarily* sell travel industry goods and services.[3] Firms in other industries (retail, recreation, transportation) provide goods and services to both travelers and other types of consumers.

Because of this, most satellite accounts, as well as the RTIM, incorporate at least some information about the expenditures of visitors in order to define the supply of

[2] The North American Industrial Classification System (NAICS) is the current standard in the United States.

[3] Even these industries are not purely travel. For example, the accommodations industry provides services to local residents (food service and meeting rooms). Passenger airlines also ship cargo on the same planes that carry passengers. Fortunately, it is usually possible to make adjustments for these non-travel components through the use of additional data.

visitor industry firms. For example, if there is an estimate of visitor-days and an estimate of how much the average visitor spends on food services per day, then an estimate of visitor spending on food services can be calculated. In most cases, this will be only a fraction of all food service sales in that residents are a larger market for most restaurants.[4]

The industry sectors that are usually matched to visitor spending in this way are: accommodations (NAICS 721), food service (722), arts, entertainment and recreation (71), and retail trade (44-45). A portion of transportation business is also part of the travel industry for obvious reasons.

In the case of the transportation sector, the definition and measurement of the travel industry component is more complicated because most transportation spending by visitors involves travel to and from the destination, rather than travel at or within the destination market. This is not an issue if the geographic scope of the travel industry market includes the origin and destination of travel. National travel industry accounts thus include all domestic passenger air transportation in the travel industry. The issue is more complicated at the state or regional level, however. Suppose, for example, that the focus of a travel industry account is the state of Arizona. How should the purchase of a round trip airline ticket by a Chicago resident traveling to Phoenix be treated in that only some of the economic impact of this spending will occur in Arizona? A reasonable approach would be to allocate only a portion of this spending (and related payroll, taxes, etc.) to Arizona and ignore the remainder for the purpose of creating a travel industry account for Arizona. However, if this procedure were followed for every state, the sum of the state accounts would be less than the national travel account. The state accounts would be additive if outbound air travel from each state were included. However, this is methodologically inconsistent with the construction of a national account, which does not include outbound travel as a component of domestic tourism demand. The approach used in the RTIM is to make a distinction between the *visitor industry*, that includes only visitor demand, and the *travel industry*, which includes visitor demand and that portion of outbound travel that can be attributed to the resident economy. For example, the passenger air transportation employment in Arizona can be divided between three groups of travelers: inbound, outbound, and pass-through. Only that employment attributable to inbound travel is part of the Arizona *visitor industry*. Employment attributable to outbound and pass-through travelers is included with the larger *travel industry*.[5]

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[4] The proportion can vary enormously among regions and localities, however. In many popular visitor destinations, the primary market for food service will be visitors. It should also be noted that even with reliable visitor survey data, there is still the issue of how to translate spending on food service *commodities* to the supply of food service by *industry*. As indicated in the footnote above, food service is also supplied by the accommodation industry.

[5] The same issue arises with travel agencies and reservation services (NAICS 5615). Most of these services are probably related to outbound travel and are treated as such in the RTIM.

The following two tables display the specific industries that are included in the travel industry for the BEA's national TTSA and the RTIM. Although not identical, the industries are equivalent with only a few exceptions.[6]

Bureau of Economic Analysis Tourism Industries
Distribution of Travel-Generated Compensation
in United States, 2007

Accommodation & Food Services	**38.1%**
Traveler accommodations	21.5%
Food services and drinking places	16.6%
Transportation	**23.3%**
Air transportation	15.4%
Rail transportation	0.4%
Water transportation	1.2%
Interurban bus transportation	0.3%
Interurban charter bus transportation	0.2%
Urban transit systems & other tran.	1.7%
Taxi service	1.0%
Automotive equipment rental & leasing	2.0%
Automotive repair services	0.8%
Parking lots and garages	0.2%
Toll highways	0.1%
Recreation	**11.2%**
Scenic and sightseeing transportation	0.4%
Motion pictures and performing arts	1.1%
Spectator sports	2.3%
Participant sports	2.4%
Gambling	3.0%
All other recreation and entertainment	2.0%
Retail & Nondurable Goods Production	**16.2%**
Petroleum refineries	0.6%
Industries producing nondurable PCE commodities, excluding petroleum refineries	4.4%
Wholesale trade & tran. services	4.2%
Gasoline service stations	1.3%
Retail trade services, excluding gasoline service stations	5.8%
Travel Arrangement	**7.3%**
All other industries	**2.2%**
Total Tourism Compensation	**100.0%**

Source: Adapted from Eric S. Griffith and Steven L. Zemanek, "U.S. Travel and Tourism Satellite Accounts for 2005-2008," Survey of Current Business (June 2009): 37, table 6.

[6] The major exception is that the BEA includes the production of consumer non-durables that are sold through retail outlets. This is not a major component and would be even less so at the level of the state.

RTIM Travel Impact Industries Matched to NAICS

Travel Impact Industry	NAICS Industry (code)
Accommodation & Food Services	
	Accommodation (721)
	Food Services and Drinking Places (722)
Arts, Entertainment & Recreation	
	Performing Arts, Spectator Sports (711)
	Museums (712)
	Amusement, Gambling (713)
	Scenic and Sightseeing Transportation (487)
Retail	
	Food & Beverage Stores (445)
	Gasoline Stations (447)
	Clothing and Clothing Accessories Stores (448)
	Sporting Goods, Hobby, Book, and Music Stores (451)
	General Merchandise Stores (452)
	Miscellaneous Store Retailers (453)
Ground Transportation	
	Interurban and rural bus transportation (4852)
	Taxi and Limousine Service (4853)
	Charter Bus Industry (4855)
	Passenger Car Rental (532111)
	Parking Lots and Garages (812930)
Air Transportation	
	Scheduled Air Passenger Transportation (481111)
	Support Activities for Air Transportation (4881)
Administrative/Support Services	
	Travel Arrangement and Reservation Services (5615)
	Convention and Trade Show Organizers (56192)

Source: Dean Runyan Associates

DEMAND SEGMENTS

The distinction between inbound and outbound travel has already been discussed in the previous section and in terms of the concepts of the *visitor industry* and the *travel industry*. Three other types of demand segments that are related exclusively to the *visitor industry* will be discussed here. The first two demand categories are reported by the BEA in their national TTSA. They are: ***leisure versus business travel***, and ***resident versus non-resident travel***. The third demand category is typically reported in the RTIM: ***type of traveler accommodation***. These three demand categories will be discussed in turn.

The distinction between ***leisure versus business travel*** is useful for several reasons. Economists like to distinguish between personal consumption expenditures on the one hand and business expenditures on the other. Indeed, this distinction is central for the National Income and Product Accounts (NIPAs). Those in the travel industry are more likely to be interested in this distinction because leisure travelers represent a more "marketable" segment because their travel choices are less determined by economic and business factors. Futhermore, business and leisure travelers tend to have different spending profiles. The availability of this information in either a state or regional TTSA or RTIM is essentially dependent on the availability of survey data (as it is at the national level). It should be noted, however, that such estimates are considerably less reliable for smaller geographic areas because of the limitations of survey data. Even at the state level, year-to-year changes in the composition of this demand segment should be interpreted in conjunction with other data.

The distinction between ***resident versus non-resident travel*** is fundamental to a national TTSA because it mirrors the distinction between the domestic economy and international transactions. Non-resident travel in the United States is considered an export in the official international transaction accounts.[7] The distinction is obviously also important because it is based on different political, legal, and currency regimes – factors that in themselves influence travel behavior. At the level of the state or region, the distinction between resident and nonresident travel is less important, although it is often reported.[8] There are at least two reasons why this distinction is less useful at state and regional levels.

First, there is considerably less of an economic rationale for distinguishing resident and non-resident travel at the level of the state, or any other political jurisdiction within the United States, than there is at the national level. States do not maintain interstate trade balance sheets that chart the flow of goods and services across state boundaries. From an economic point of view, the administration of the tax system is the primary, if only, reason for this distinction. In the case of travel and tourism,

[7] Conversely, the spending of U.S. visitors in other countries is treated as an import in the international transaction accounts.

[8] The issues discussed with regard to the reliability of survey data for leisure versus business travel also applies to this category

the evaluation of the tax impacts of resident versus nonresident travel might also be important.[9]

Second, travel is behaviorally defined by length of distance from home (usually at least 50 miles one-way), trip purpose (non-routine), and/or the use of an overnight accommodation away from home. Rarely is domestic travel defined by virtue of crossing a geographic boundary.[10] The operators of tourist attractions in local communities are generally less interested in the origin of visitors than in the revenue that they generate for their businesses. In terms of the economic impacts at the *local* level, the distinction between in-state residents, out-of-state residents and international visitors may not be relevant other than for the purpose of marketing. However, other geographic characteristics of the visitor (e.g., distance traveled, the specific area of origin) are generally more useful measures of the visitor market than whether the visitor is a resident or nonresident.

Finally, the distinction among different ***types of traveler accommodations*** is generally reported in the RTIM. Typically, these categories are:

- Visitors who stay in hotels, motels, B&Bs., and similar lodging facilities
- Visitors who stay at campsites
- Visitors who stay in the private homes of friends or relatives
- Visitors who stay in vacation or second homes
- Visitors who do not stay in overnight accommodations on their trip away from home (day visitors).

These distinctions can be useful because estimates of economic impacts are often used for different purposes. The total of all accommodation types, of course, is an estimate of the total magnitude of the visitor industry. Visitors who stay in commercial lodging such as hotels and motels are most likely to have the greatest economic impact on a person-day basis. These visitors are also more likely to be influenced by marketing efforts. In urban areas, a large proportion will represent business travel. In other words, the type of accommodation category can be used in conjunction with other types of data to analyze the market characteristics of visitors.

[9] Nonresident visitors who pay taxes in their destination state represent an unambiguous gain for the state. This effect is less clear for resident travelers within the state.

[10] In essence, state level travel impact estimates really represent an aggregation of smaller geographic units, such as counties or regions. Populous states with large landmasses (e.g., California or Texas) will have a higher proportion of resident travel than small states (e.g., Rhode Island or Delaware).

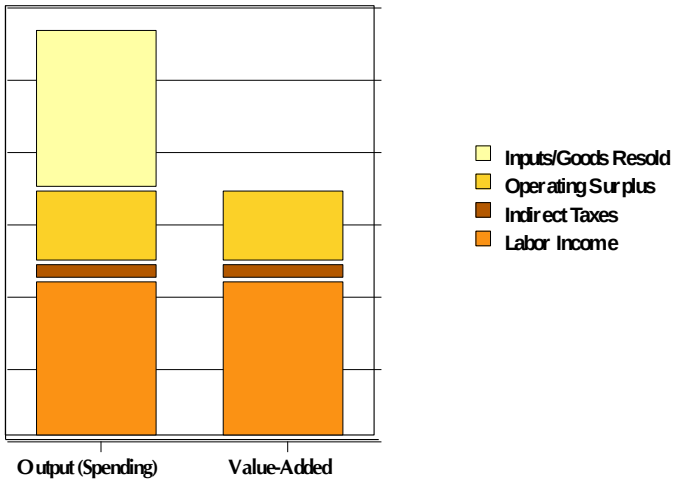
COMPONENTS OF INDUSTRY OUTPUT

Because both the RTIM and the TTSA are empirically linked to NAICS industry accounts, it is possible to provide estimates of different components of economic output. The major economic components most often estimated are:[11]

- Travel spending (Gross Output)
- Value-added (Gross Product)
- Earnings (labor income)
- Indirect business taxes (sales, excise, property taxes & fees).

The relationship of these components is shown below. As indicated, the value-added of a particular industry (the bar on the right) is equal to gross output (travel spending) minus the intermediate inputs used by travel industry businesses to produce the good or service. Restaurants, for example, prepare and serve the food products that are purchased from suppliers. Airlines purchase or lease airplanes from other firms. These intermediate inputs are not counted as part of the value-added of the travel industry. They are counted as value-added in other industries (e.g., agriculture, aerospace manufacturing).

Components of Industry Output



The distinction between gross output and value-added is probably even more important at the state or regional level. This is because the intermediate inputs that are purchased from other industries are even more likely to be purchased from businesses located in different regions or states. For example, the economic impact

[11] There are some small differences between the BEA TTSA and the RTIM in what these components include. The BEA allocates proprietor income to Operating Surplus, the RTIM allocates it to Labor Income. The RTIM does not have an estimate of property taxes in indirect taxes. Overall, property taxes on businesses are a relatively small proportion of indirect taxes.

of air passenger travel in the state of Hawaii should not include the purchase of airplanes manufactured in other parts of the world. Travel industry value-added is a more meaningful measure of the true economic impact of visitor spending in Hawaii because a portion of the economic impact of visitor spending in the state will actually occur elsewhere.[12]

Value-added can also be viewed in terms of the distribution or payout of industry receipts, exclusive of those paid to other firms for intermediate inputs. Some of the receipts are distributed to labor as wages, benefits, and proprietor income. Some receipts are paid to government as indirect taxes. These taxes are called "indirect" because most of them are actually paid by consumers in the form of sales or excise taxes.[13] The remainder leaves gross operating surplus. Out of gross operating surplus various payments are made in the form of dividends, interest, and other payments, or retained by the firm. The sum of these three broad categories of payments is equal to travel industry value-added. To summarize:

Value-added = Spending *less* intermediate goods & services, or

Value-added = Labor Income *plus* indirect business taxes *plus* gross operating surplus.

The RTIM is similar to the TTSA in that it also provides estimates of these components of economic output. Travel spending, earnings, and tax impacts are generally provided at the state or regional level. Value-added is generally reported at the state-level only (sometimes referred to as Travel Industry Gross State Product). At the level of the state, travel industry value-added or GSP is an important measure – more economically meaningful than travel spending.[14] For smaller geographic areas, however, the rationale for reporting value-added is less clear. First, there are real data limitations and data costs in deriving these estimates. Second, ***the most important components of value added for the travel industry are earnings and tax receipts***. Because the travel industry is relatively labor intensive and because a large proportion of travel industry goods and services are subject to excise and sales taxes, these two components of value-added (labor income and indirect taxes) are relatively high for the travel industry. The local effects of gross operating surplus are generally less important and certainly much more difficult to assess than are earnings and tax impacts. The relevance of earnings and tax receipts is also in keeping the export-oriented emphasis of the travel industry: earnings and tax receipts are more likely to stay in the local economy than is operating surplus.

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[12] It should also be noted the value of the intermediate inputs used by travel industry firms will not necessarily disappear if the travel industry stops buying them. Aerospace firms will shift their production to other users (e.g., military). Agriculture will seek new markets for their products.

[13] Other taxes included here are property taxes, business franchise taxes, and other fees. Income taxes are not included, because they are paid out of operating surplus.

[14] It is also possible to compare different industries with respect to their value-added. It is more difficult and less useful to compare industries on the basis of sales.

INDIRECT, INDUCED AND SECONDARY EFFECTS

To this point, the discussion of travel industry accounts has referred only to the direct output components. That is, the ripple effects of the re-spending of travel industry receipts throughout the larger economy have not been analyzed. The structure of both the TTSA and the RTIM permit such analysis.

- **Indirect** effects refer to the intermediate inputs used to produce the final product or service, providing that those inputs are themselves produced within the designated geographic area.
- **Induced** effects refer to the purchase of goods and services by *employees* that are attributable to direct and indirect impacts. These induced impacts are derived from economic data that describe the purchasing patterns of households. For example, employees of all the designated export-oriented industries will spend their income on food, household durables, health care, and so on.
- The sum of indirect and induced impacts is sometimes referred to as the **secondary** effect. These secondary impacts may be as great or greater than the direct impact alone.
- The ratio of the total effects (direct plus either indirect, induced, or secondary) to the direct effects is the **multiplier**.

The BEA reports the **indirect** components of economic output. This is equivalent to domestic travel spending less the goods and services imported from abroad to meet domestic demand. For travel, these imports would include souvenirs manufactured in China and petroleum extracted in Saudi Arabia. The indirect output multiplier for 2002 was 1.76. The ratio of domestic travel spending to travel industry value-added was 1.88. The difference reflects the intermediate inputs for travel imported from abroad.

At the state level, these indirect output multipliers are typically lower because relatively more of the intermediate inputs are purchased from outside of the state. At the county or metropolitan level, the multipliers are generally even lower for the same reason. Furthermore, the estimates are usually less reliable because of the data limitations of the regional input-output model used to estimate the indirect effects.

The BEA does not report **induced** effects – the effect of household spending of the direct and indirect labor income. Typically, these induced effects will be larger than the indirect effects at the state or regional level, in part because they are based on both the direct and indirect components.[15] As with indirect effects, the induced effects will also tend to be lower for smaller economic areas and the reliability of the estimates will be less.

[15] The induced effects can be estimated with the Implan model maintained by the Minnesota Implan Group.

Secondary effects should be interpreted cautiously. These effects describe the relationship of economic transactions at a point in time. These relationships will not necessarily remain constant with a change in direct economic output. This is because all economic resources have alternative uses. Because of this, it is often difficult to determine the effect of an increase or decrease in visitor spending on the larger economic system over time.

THE REGIONAL TRAVEL IMPACT MODEL AND TRAVEL & TOURISM SATELLITE ACCOUNTS COMPARED

This appendix has provided an overview of Dean Runyan Associates RTIM and the Bureau of Economic Analysis' domestic TTSA. These travel industry accounts are similar in terms of how they define the travel industry and the measures of the industry that are reported. The differences stem largely from their different levels of analysis – the BEA provides estimates at the national level only, while the RTIM's are typically constructed on a state or regional level. Because of this geographic focus, the RTIM provides a distinction between the visitor industry and the travel industry. The RTIM also provides measures of all of the components of economic output and secondary effects at the state or large region level. At smaller units of analysis, however, the emphasis is on earnings and tax receipts generated by travel spending as these are the most reliable and meaningful measures of the economic impact of travel at the local level.

Arizona Earnings and Employment by Industry Sector, 2014

Industry Sector	Earnings ($Billion)	Percent of Total	Employment (Thousand)	Percent of Total
Primarily Export-Oriented	**17.2**	**9.8%**	**241**	**7.0%**
Agriculture, Forestry, Fishing and related	1.7	0.9%	47	1.3%
Mining	1.4	0.8%	24	0.7%
Manufacturing	14.1	8.0%	171	4.9%
***Travel*	5.8	*3.3%*	173	*5.0%*
Primarily Non Export-Oriented	**88.2**	**50.3%**	**1,844**	**53.3%**
Construction	10.1	5.7%	177	5.1%
Utilities	1.7	0.9%	12	0.4%
Wholesale trade	8.7	5.0%	107	3.1%
Retail trade	13.4	7.6%	378	10.9%
Real estate and rental and leasing	4.1	2.3%	221	6.4%
Management of companies and enterprises	3.1	1.8%	35	1.0%
Administrative and waste services	10.6	6.0%	285	8.2%
Other services, except public administration	6.6	3.7%	183	5.3%
Government and government enterprises	30.1	17.1%	445	12.8%
Mixed	**70.0**	**39.9%**	**1,376**	**39.7%**
Transportation and warehousing	5.5	3.1%	101	2.9%
Information	3.8	2.2%	55	1.6%
Finance and insurance	13.3	7.6%	217	6.3%
Professional and technical services	13.8	7.9%	217	6.3%
Educational services	3.0	1.7%	74	2.1%
Health care and social assistance	21.5	12.3%	373	10.8%
Leisure and Hospitality	9.0	5.1%	339	9.8%
Arizona Total**	**175.4**	**100.0%**	**3,462**	**100.0%**

**Travel is not included in the sub and grand totals because it is also represented in other sectors (primarily leisure and hospitality, transporation, and retail trade).

Industry Groups

Accomm. & Food Serv.
- Eating & Drinking
- Hotels and Lodging Places

Agric. & Food Proc.
- Agricultural- Forestry- Fishery Services
- Animal and Marine Fats and Oils
- Blended and Prepared Flour
- Bottled and Canned Soft Drinks & Water
- Bread- Cake- and Related Products
- Canned and Cured Sea Foods
- Canned Fruits and Vegetables
- Canned Specialties
- Cattle Feedlots
- Cereal Preparations
- Cheese- Natural and Processed
- Chewing and Smoking Tobacco
- Chewing Gum
- Chocolate and Cocoa Products
- Cigarettes
- Cigars
- Commercial Fishing
- Condensed and Evaporated Milk
- Confectionery Products
- Cookies and Crackers
- Cotton
- Cottonseed Oil Mills
- Creamery Butter
- Dairy Farm Products
- Dehydrated Food Products
- Distilled Liquor- Except Brandy
- Dog- Cat- and Other Pet Food
- Feed Grains
- Flavoring Extracts and Syrups- N.E.C.
- Flour and Other Grain Mill Products
- Fluid Milk
- Food Grains
- Food Preparations- N.E.C
- Forest Products
- Forestry Products
- Frozen Fruits- Juices and Vegetables
- Frozen Specialties
- Fruits
- Grass Seeds

Agric. & Food Proc.

Greenhouse and Nursery Products
Hay and Pasture
Hogs- Pigs and Swine
Ice Cream and Frozen Desserts
Landscape and Horticultural Services
Macaroni and Spaghetti
Malt
Malt Beverages
Manufactured Ice
Meat Packing Plants
Miscellaneous Crops
Miscellaneous Livestock
Oil Bearing Crops
Other Meat Animal Products
Pickles- Sauces- and Salad Dressings
Potato Chips & Similar Snacks
Poultry and Eggs
Poultry Processing
Prepared Feeds- N.E.C
Prepared Fresh Or Frozen Fish Or Seafood
Ranch Fed Cattle
Range Fed Cattle
Rice Milling
Roasted Coffee
Salted and Roasted Nuts & Seeds
Sausages and Other Prepared Meats
Sheep- Lambs and Goats
Shortening and Cooking Oils
Soybean Oil Mills
Sugar
Sugar Crops
Tobacco
Tobacco Stemming and Redrying
Tree Nuts
Vegetable Oil Mills- N.E.C
Vegetables
Wet Corn Milling
Wines- Brandy- and Brandy Spirits

Arts, Entertain., Rec.

Amusement and Recreation Services- N.E.C.
Bowling Alleys and Pool Halls
Commercial Sports Except Racing
Membership Sports and Recreation Clubs
Motion Pictures
Other Nonprofit Organizations
Racing and Track Operation
Theatrical Producers- Bands Etc.
Water Transportation

Construction

Maintenance and Repair Oil and Gas Wells
Maintenance and Repair Other Facilities
Maintenance and Repair- Residential
New Farm Structures
New Government Facilities
New Highways and Streets
New Industrial and Commercial Buildings
New Mineral Extraction Facilities
New Residential Structures
New Utility Structures

Finance, Real Estate

Banking
Credit Agencies
Insurance Agents and Brokers
Insurance Carriers
Owner-occupied Dwellings
Real Estate
Security and Commodity Brokers

Government

Commodity Credit Corporation
Federal Electric Utilities
Federal Government - Military
Federal Government - Non-Military
Local Government Passenger Transit
Other Federal Government Enterprises
Other State and Local Govt Enterprises
State & Local Government - Education
State & Local Government - Non-Education
State and Local Electric Utilities
U.S. Postal Service

Misc. Manf.

Includes all utilities, mining and manfacturing industries not elsewhere classified

Misc. Services

Advertising
Beauty and Barber Shops
Computer and Data Processing Services
Detective and Protective Services
Domestic Services
Electrical Repair Service
Equipment Rental and Leasing
Funeral Service and Crematories
Laundry- Cleaning and Shoe Repair
Miscellaneous Personal Services
Miscellaneous Repair Shops
Other Business Services
Personnel Supply Services
Photofinishing- Commercial Photography
Portrait and Photographic Studios
Services To Buildings
Watch- Clock- Jewelry and Furniture Repair

Prof. Services

- Accounting- Auditing and Bookkeeping
- Business Associations
- Child Day Care Services
- Colleges- Universities- Schools
- Doctors and Dentists
- Elementary and Secondary Schools
- Engineering- Architectural Services
- Hospitals
- Job Trainings & Related Services
- Labor and Civic Organizations
- Legal Services
- Management and Consulting Services
- Nursing and Protective Care
- Other Educational Services
- Other Medical and Health Services
- Religious Organizations
- Research- Development & Testing Services
- Residential Care
- Social Services- N.E.C.

Retail Trade

- Apparel & Accessory Stores
- Building Materials & Gardening
- Food Stores
- Furniture & Home Furnishings Stores
- General Merchandise Stores
- Miscellaneous Retail
- Wholesale Trade

Transportation

- Air Transportation
- Arrangement Of Passenger Transportation
- Automobile Parking and Car Wash
- Automobile Rental and Leasing
- Automobile Repair and Services
- Automotive Dealers & Service Stations
- Local- Interurban Passenger Transit
- Motor Freight Transport and Warehousing
- Railroads and Related Services
- Transportation Services